

Success in tourism and recreation requires a *market-driven* approach: businesses and agencies must respond to the needs, priorities and trends of current and potential customers (tourists). In this context, “tourist markets” refer to both Montana residents and nonresidents who visit the state, either for leisure or business purposes. The objectives and actions identified in Chapter 5 of this Strategic Plan are designed to respond to the markets, so before discussing the strategic actions that are proposed, it is important to have a clear understanding of Montana’s current and potential markets.

### Summary of Key Findings about Montana’s Current Travelers

The following are highlights of market research that is detailed in sections B and C. Section A (next page) provides context by summarizing national tourism trends.

- **More tourists are coming, but in summer, they’re spending less.** Montana hosted 9.6 million nonresident visitors in 2001, and they spent \$1.7 billion. Nearly 60% visited in summer, and while summer visitor groups increased by 4% over 1996 levels, spending decreased by \$28.5 million (3%). The average traveler group size and length of stay both declined from summer 1996 to summer 2001.
- **The majority of visitors originate from nearby states/provinces, California and Minnesota.** The top nine states/provinces of origin in 2001 were WA, ND, CA, WY, ID, MN, ALB, CO, OR and UT.
- **Interest in historical/cultural attractions and passive outdoor activities increased from 1996.** Participation in active outdoor recreation and wildlife viewing declined. Participation in shopping and day hiking was strong in all seasons.
- **44% of all travelers were vacationing in Montana, while 28% were just passing through.** Another 16% were visiting friends/relatives and 10% were on business.
- **Most of Montana’s tourists are repeat visitors (75-95%+).** This may be due in part to frequent pass-through travel from neighboring states, to visiting family (e.g., college students, snowbirds), and/or to nonresident vacation homeowners.
- **Montanans spent 73% of their travel dollars (\$707 million) out of state.** In 1999, Montanans took 9.2 million leisure trips, and spent \$962 million. 44% of trips were day trips in Montana, while 29% were in-state overnight trips, and 27% were overnight trips out of state. They spent \$707 million (73%) outside the state.

## Chapter 3: Markets

### Summary of Key Findings

#### A. Potential Markets:

##### National Tourism Trends

#### B. Resident Visitor Trends

#### C. Non-Resident Visitor Trends

#### D. Montana’s Competitive Niche

#### E. Top Priority Target Markets

While the number of nonresident summer traveler groups in Montana increased by 79,240 (4%) from 1996 to 2001, the actual number of people dropped about 21,000, and total spending decreased by \$28.5 million (3%). The visitors’ travel group size and length of stay both declined.

On the other hand, the number of winter visitors increased 37% from 1998 to 2001, which was a recovery from a decline of 24% from 1993 to 1998. Therefore, the overall number of winter visitors grew 5% from 1993 to 2001.



C.M. Russell Museum



Crow Fair Parade

## A. Potential Markets: National Tourism Trends

Nationally and internationally, the tourism industry has changed dramatically over the past decade. Customer demographics, tastes and preferences have changed, travel planning has changed, transportation has changed, and national and international competition has changed. Some of these trends present challenges for Montana, but more of them present opportunities. This section provides a brief overview of the following national and international tourism and recreation trends, and summarizes the implications for Montana tourism and recreation stakeholders:

1. The Time Crunch Affects Travel Planning
2. Women Make the Decisions
3. Mature Travelers Rule
4. Family Values are Back (Families are Blended & Multi-Generational)
5. History & Culture are the #1 Attraction
6. Festivals Attract One-Fifth of All Travelers, esp. Young Families
7. Rural Places are Appealing
8. Packaged Niche Products are a Key to Success
9. Business Travelers Deserve More Attention
10. Non-Business Meetings & Conventions are Big Business
11. Canadians are Returning
12. Europeans Spend Five Times More Time & Money
13. Adventure and Geo-Tourists are Large Markets
14. Sportsmen Numbers Remain Steady, More Women Join the Club
15. Tourists Shop 'Til They Drop

Volumes of insightful tourism research are available on each of these topics – much of it from the Tourism Industry Association of America (TIA). The following pages summarize only key highlights and trends. At the end of this section (pages 44-45) is a summary of challenges and opportunities for Montana, based on these national tourism trends. More information is available from the resources listed in Appendix C.

## A.1 The Time Crunch Affects Travel Planning

Americans are taking shorter, more frequent trips, closer to home. Weekend trips by Americans jumped by more than 70% in the past decade and now account for more than half (54%) of all U.S. travel. Forty percent of weekend travelers report they are taking more day trips and/or weekend trips (38%) today than five years ago. Interest in longer trips lasting more than one week seems to be declining. Repeat visitation also is declining: three-quarters (77%) agree that the next vacation will be someplace they have never been before.

Americans are spending less time on trip planning, and becoming techno-savvy consumers. Half of U.S. adults are online (100+ million people), and 59 million people use the Internet to plan trips (half of whom are Baby Boomers, and 16% make \$100,000+ per year). Travelers' initial interest in a destination still is generated from friends and family, media, word-of-mouth or co-workers, but they use the web to find details, prices and updated information, and many book their trip/package online.

"Time-impooverished consumers are more self confident, feel in control, generally will not compromise, and rely on their own instincts, rather than experts," according to Peter Yesawich (see sidebar). "Once a destination is decided, the traveler seeks the best buy. Therefore, packaging becomes very important: convenience sells."

## A.2 Women Make the Decisions

Women still do the family planning: they make three-quarters of all travel decisions. Their top concerns are safety, hygiene, "creature comforts", shopping and convenience – one-stop travel planning, such as cruises and all-inclusive packages. Destinations that may be "dangerous" (whitewater, remote, wild animals, etc.), are not "kid-friendly" (no programmed age-appropriate activities), or are difficult to "buy" (require time-consuming web searches, reading or phone calls) are not as attractive as more convenient locations. In 2001, 70% of women reported an interest in a destination that included air fare, accommodations, food, hotel transfers and recreation activities. Women are most interested in beautiful scenery (90%), theme parks, spa destinations and places they've never been before (82%); as well as the arts, architecture and historic sites (57%).

### "Time is the New Currency"

- ♦ Americans are taking shorter, more frequent trips, closer to home.
- ♦ Weekend trips\* by Americans jumped 70%+ in the past decade; now more than half (54%) of all U.S. travel.
- ♦ 40% of weekend travelers take more day trips and/or weekend trips (38%) today than 5 years ago.
- ♦ Interest in longer trips (1+ week) seems to be declining: 43% of weekend travelers take fewer long trips than 5 years ago.
- ♦ Repeat visitation is declining: 77% say next vacation will be someplace they have never been before.
- ♦ Americans spend less time on trip planning: 59 million people use the Internet (half are Baby Boomers)
- ♦ Once a destination decision is made, travelers seek the best buy.

\* A "weekend trip" is defined by TIA as an overnight leisure trip of 1-5 nights, 50+ miles from home, including a Friday, Saturday or Sunday night stay.

Sources: Travel Industry Association of America; Peter C. Yesawich, Yesawich, Pepperdine & Brown.

Women make 75% of all travel decisions. Their top concerns when choosing and booking a destination are safety, hygiene, "creature comforts," shopping and convenience.

Americans over 50 are responsible for 80% of all leisure travel, and they control 75% of the nation's wealth.

#### **Mature Travelers**

- College educated
- \$75,000+ annual household income
- More tech savvy than 5 years ago
- Spend an average of \$431 per trip (vs. average spring traveler in Montana at \$292/trip, \$341 winter)
- Favorite trip activities:
  - ♦ Shopping (29%)
  - ♦ Historical places & museums (15%)
  - ♦ Cultural events & festivals (12%)
  - ♦ Gambling (11%)
  - ♦ Outdoor activities (11%)
  - ♦ Visiting parks (8%)
  - ♦ Going to the beach (7%)
  - ♦ Golf/tennis/skiing (3%)



**Museum of the Rockies**

#### **Critical Factors in Family Destination Decisions:**

Value for the money:	92%
Variety of things to do:	91%
Activities designed for kids:	87%

### **A.3 Mature Travelers Rule**

The "Mature" travel market is divided into two segments: the "Junior Matures" (ages 50-64) and the "Senior Matures" (ages 65+). This over-50 age group is responsible for 80% of all leisure travel in the United States, and they control 75% of the nation's wealth. As more of the Baby Boomers enter this market segment, their influence will be enormous on travel products and services. For example, the Boomers will contribute to a 1-2% annual growth rate in the golf industry. Mature travelers tend to seek active - but not strenuous - activities, heritage/cultural experiences and soft adventure. Many bring their grandkids, and they expect quality amenities and excellent service. Mature travelers often travel in off-peak months (Sept.-Nov., Mar.-May), making them an attractive market for building shoulder seasons, if appropriate services are available.

### **A.4 Family Values are Back**

Family travel has increased in the United States, as Americans attempt to return to core values in a changing society. People with children prefer to take them on family trips (87%). "Family" travelers often include three generations, or blended families, or nontraditional families, or several families traveling together. Virtually all family travelers feel that family vacations are important to maintaining their family's health, well-being and lifestyle (94%). Families seek age-appropriate, pre-packaged activities and itineraries that give them family time together, but also social time with peers. The most critical factors in the destination decision are "value for the money" (92%) and "variety of things to do" (91%), although among parents, "activities designed for children" (87%) are nearly as important.

### **A.5 History & Culture are the #1 Attraction**

Heritage and cultural travel is the largest and fastest growing segment of the travel industry worldwide (65% of all U.S. travelers include heritage/cultural experiences on their vacations). Many travelers extend their trips specifically to participate in cultural or historic events and activities. This is linked to the burgeoning numbers of traveling Baby Boomers, who are more interested in their roots than their parents were. This segment is more educated and affluent than the average traveler. They recognize and support the intrinsic value of the arts, culture and history to society.

Heritage/cultural travelers seek vacations that are cerebral and enriching – they want to do more than sit on a beach or go sightseeing. They enjoy interactive learning experiences and a better understanding of the world around them, from western history to American Indian culture, symphony to folk music, theater to historic downtowns. They like to shop, dine and take guided or self-guided tours (they are big consumers of guidebooks). They expect authenticity, historical integrity, quality and amenities. The majority of Lewis & Clark Bicentennial visitors fit this profile.

#### **A.6 Festivals Attract One-Fifth of All Travelers, esp. Young Families**

One-fifth of U.S. adults (21%) attended a festival while on a trip away from home in the past year. Of those, one-third attended an arts or music festival, making it the most popular type of festival to attend while traveling. Twenty-two percent attended an ethnic, folk or heritage festival. This was followed by county or state fairs (20%), parades (19%), food festivals (12%) and religious festivals (11%). Thirty percent attended some other type of festival. Compared to the average of all U.S. travelers, festival travelers are likely to be younger (age 41), have children in their household (52%), have two or more wage earners (51%) with a household income of \$53,000.

#### **A.7 Rural Places are Appealing**

America's increased interest in family values, patriotism and nostalgia has focused attention on rural areas as tourist destinations: small towns, open spaces, country experiences, rural festivals. Sixty-two percent of all U.S. adults took a trip to a small town or village in the U.S. within the past three years. The majority (55%) of rural travelers took their spouse along, and 33% took their children. Most of these trips were for leisure purposes (86%) and, the most popular reason for traveling to a small town or rural area was to visit friends or relatives (44%). Baby Boomers find rural travel especially appealing, as they are more likely than younger or older travelers to visit small towns or villages for reasons other than visiting friends and relatives.

#### **Heritage & Cultural Travelers Have Economic Benefits**

- More educated & affluent than other travelers
- 32% extended their trip for cultural/historic events and activities
- 62% use hotels/motels/B&B's
- 44% go shopping during their trip
- Other activities: state/national/theme parks, outdoor activities, beaches
- 18% spend \$1,000+ when traveling (vs. 12% of all travelers)
- Average stay is 4.7 nights (vs. 3.4 nights for all U.S. travelers)



**Montana Guest Ranch**

*"There is definitely a market for rural attractions. Small-town America appeals to many travelers because of its unique charm, in addition to the wide variety of activities and history. The quiet pace is an alternative to the hustle and bustle of larger cities."*

- William S. Norman, President/CEO,  
Travel Industry Assn. of America

Niche products work best when they showcase the destination's unique history or characteristics - or the business owners' particular talents or passions.

#### **Who are the Business Travelers?** (1998 Study - TIA)

- Professional males (60%), more females
- Average age is 42 - up from 40 in 1991 (more age 45-54, fewer age 25-34)
- Average income is \$76,100 - up from \$68,900 in 1996 (larger proportion of business travelers earning \$75,000+ and smaller proportion making <\$30,000)
- Health, Legal and Education sector business travelers increased steadily, from 19% in 1991 to 25% in 1998
- Professional/Managerial business travelers reached all-time high in 1994 (55% of all business travelers), but has decreased since then to 47%
- Average business traveler took 5.4 business trips in 1998, stayed 3.3 nights
- 38% of trips involve more than 1 person
- 21% combine business & vacation (esp. women & less frequent travelers)

#### **Implications**

- Business travelers are affluent, stay multiple nights, interested in extending stays for vacation
- Women seek amenities, safety
- Business travelers are potential targets for Montana's economic development and business recruitment efforts

## **A.8 Packaged Niche Products are the Key to Success**

Americans are increasingly more discerning about their leisure travel choices: they want experiences tailored to their unique tastes and preferences. Specialty and theme experiences, "boutique" trips and unique packages appeal to various market segments, whether their interest is golf, bird watching, gourmet cooking, jazz music, Native arts, massage, cowboy poetry, antique cars, photography, "whodunit" mysteries or mining history. Events and packaged trips that target niche markets give travelers a "reason" to visit (e.g., theme trips targeting grandparents/grandkids, women's only, or featuring "guest experts" who teach watercolor painting, geology, wine tasting or Lewis & Clark history).

Niche products work best when they showcase a destination's unique history or characteristics - or a business owners' particular talents or passions. Authentic experiences attract travelers who take the most trips and spend the most money.

## **A.9 Business Travelers Deserve More Attention**

In 1998, nearly one-in-five U.S. adults (44 million) took at least one business trip, and the average business traveler took 5.4 business trips. This was a 14% increase since 1994, and a 2% increase since 1996, according to TIA and OAG Worldwide research. Business travelers tend to be significantly more affluent than the average traveler. Their average stay was 3.3 nights, and most business travelers (84%) spent at least one night away from home on their most recent trip (nearly three-quarters stayed in a hotel or motel). About 38% of the business trips involved more than one business traveler. Nearly half of all business travelers (47%) were traveling to attend a meeting, trade show or convention on their last business trip. One-in-five business travelers (21%) combined business and vacation on their last business trip. Women and less frequent business travelers were more likely to combine business and vacation in one trip. Women business travelers seek safety (parking lot lighting, locks, security, social experiences other than bars) and amenities (ironing boards, hair dryers, etc.). Business travelers are big consumers of amenities: dining, room service, adult beverages, high-speed Internet access, pay-per-view movies, dry cleaning, hair salons, gift shop items (for spouse/kids left at home), spa services, taxis, rental cars, etc. They also are interested in shopping, arts, culture, history, sports, golf, fishing and hunting.



## A.10 Non-Business Meetings & Conventions are Big Business

One in five Americans (20%) traveled for non-business conferences or organized events – for personal, social, civic or religious reasons – in the past five years, according to TIA. This translates to 40.8 million U.S. adults who traveled 100+ miles to attend such events. A non-business conference is defined as a conference, meeting or special event unrelated to job or occupation. In 1999 alone, 27 million U.S. adults (13% of U.S. adults) attended a non-business conference.

The most popular non-business conferences were organized religious conferences, with nearly one-third (30%) of U.S. adults traveling to one in the past five years. Self-improvement or educational conferences were about one-in-five non-business conferences (21%), followed by hobby-related conferences (20%). Other types were alumni, fraternity or sorority reunions (9%), political rallies or conventions (5%) and military reunions (3%). Non-business conference travelers spent an average of \$529 on their most recent non-business conference trip, including transportation, accommodations and meals (the average nonresident traveler in Montana spent \$292 per trip in spring, \$460 in summer). About 10% of these travelers spent more than \$1,000 on their most recent non-business conference trip, while about one-third (37%) spent less than \$250. More than two-thirds (70%) stayed in a hotel/motel/B&B.

Non-business conference visitors tend to be less demanding about facilities and amenities than do business/corporate conference visitors: they tolerate a lack of “under one roof” hotel/convention centers, state-of-the-art audio/visual technology, business center amenities and air service connections. Additionally, they often bring family members, or return to conference destinations later for a family vacation. Destinations and meeting planners who provide various activities for family members, and include a variety of venues in conference events, are more likely to draw additional participants.

## A.11 Canadians are Returning

Canadian visitation to the U.S. rose 9% from 1998 to 2000, after several years of decline because of unfavorable exchange rates. A 2001 survey conducted by Expedia Canada Corp./Ipsos-Reid indicated that 81% of Canadians consider pleasure trips a very important part of their overall quality of life, and that 89% planned to take a vacation in 2002. Fifty-nine percent of Canadians were either planning to (or seriously considering)

### Non-Business Meetings & Conventions

- 20% of Americans participated in a non-business conference/event in past 5 yrs
- 30% were religious conferences
- 21% were self-improvement/education
- 20% were hobby-related
- 9% alumni/fraternity/sorority reunions
- 5% were political rallies/conventions
- 3% were military reunions
- Average spending: \$529/person/trip (vs. 2001 MT travelers spent \$292-\$460/trip)
- 70% stayed in hotel/motel/B&B
- Conferees often bring family, extend stay or return for vacation

### Implications

- Montana is an attractive destination for non-business conferences
- Higher participation and extended stays result from planned/guided/supervised activities for spouses and kids
- Historic/cultural attractions make creative convention venues (museum, art gallery, theater, mansion, barn or park)
- Future return visitation for vacations results from incentives (packages, etc.)

### Caution!

Nationally, the amount of convention space will jump 25% by 2007, as 96 new or expanded convention centers open a combined 16.8 million sq. ft. of new exhibit space costing about \$12 billion. Meanwhile, growth in business convention/trade show attendance has slowed. (Tradeshow Week)



Hiking near Dupuyer

#### Hard & Soft Adventure Travelers

- Adventure travel is most popular with Gen Xers, Baby Boomers, men and westerners
- Most popular hard adventure trips: whitewater rafting, kayaking, snorkeling, scuba diving, off-road/mountain biking
- Most popular soft adventure trips: camping, hiking, biking
- Typical hard adventure traveler is 35 years old, college educated, employed full time
- Soft adventure traveler more likely to bring spouse, kids
- Hard adventurers spend more than soft adventurers (\$465 vs. \$325)

travel in the U.S., and 61% were either planning to (or seriously considering) travel elsewhere internationally.

When planning a vacation, 80% of Canadians prefer to research their own travel plans. Canadians like packages and “deals”: 81% prefer pay-one-price vacations that have choice and flexibility in them, compared to 14% who prefer set packages. Of those surveyed, 87% indicated they were likely to use the Internet to research vacations, and 54% indicated that they were likely to book and purchase vacations on the Internet.

### A.12 Europeans Spend Five Times More Time & Money

European tourists spend five times more time and money visiting the U.S. than domestic tourists. The average domestic traveler spends \$331 per trip, and the average international traveler spends \$1,530 per trip. Europeans have, on average, five weeks of government-mandated vacation time, plus up to sixteen annual public holidays. These tourists are more likely to visit during off-peak seasons than domestic travelers. Many European visitors also are more willing to visit “off-the-beaten-path” rural attractions or destinations than domestic visitors. The “detriments” of rural destinations like Montana (lack of population, access) often are viewed as benefits to Europeans seeking green and open destinations. International tourists also enhance the visitor experience for domestic travelers and create additional perceived value, according to TIA.

### A.13 Adventure and Geo-Tourists are Large Markets

In 1997, half of Americans (98 million adults) had taken an adventure vacation in the past five years. Of those, 92 million adults took soft adventure vacations (skiing, sailing, horseback riding), while 31 million Americans took hard adventure vacations (mountain climbing, skydiving, cave exploring). Twenty-five million took both.

Adventure travel is most popular with Generation Xers, Baby Boomers, men and people who live in the West. The most popular hard adventure activities are whitewater rafting/kayaking, snorkeling/scuba diving and off-road biking/mountain biking. The most popular soft adventure activities are camping, hiking and biking. Hard adventure travelers are more likely to be young, single and have higher household incomes: the typical hard adventure traveler is 35 years old, with some college education and is employed full time. A significantly larger share of soft adventure travelers took spouses



(60% vs. 42%) and children/grandchildren (41% vs. 18%) on their most recent adventure vacation than did hard adventure travelers. Destination skiers and snowmobilers tend to have higher levels of education and affluence than other travelers, and seek high quality experiences.

Geotourism is defined as “tourism that sustains or enhances the geographical character of the place being visited – its environment, culture, aesthetics, heritage, and the well-being of its residents,” according to a study by National Geographic and TIA. “Geotourism is environmentally and culturally responsible and it seeks to preserve the distinctive attributes that make each destination a special place to visit.” Fifty-five million Americans are officially classified as “geo-tourists,” with another 100 million Americans moving in that direction, according to TIA.

#### A.14 Sportsmen Numbers Remain Steady, More Women Join the Club

“Outdoor sportsmen” include both men and women. While men are nearly two-thirds (61%) of them, women are catching up. Sportsmen like to travel into the countryside, remote locales and wilderness in order to enjoy outdoor activities, especially hunting and fishing. After several years of decline, the number of hunting licenses sold nationally increased by 250,000+ from 1998 to 1999, due in part to outreach and hunter recruitment efforts by state wildlife agencies. Thirty states reported increases, and those reporting the largest increases were Arkansas, Washington, South Carolina, Wisconsin, Idaho, and South Dakota (Montana’s license sales declined).

Nationally, the total number of fishing licenses, tags, permits and stamps sold in all states declined by 2% from 1990 to 2000. However, the number of resident fishing licenses/tags/permits/stamps sold in all states declined by 1%, while the number of nonresident fishing licenses/tags/permits/stamps sold in all states rose by 14% (nonresident sales are 18% of all sales). These figures indicate that an increasing number of fishermen and women are traveling out of their home states to fish.



Whitewater Rafting in Western Montana

#### 55 million Americans are “Geotourists”

Geotourism is defined as “tourism that sustains or enhances the geographical character of the place being visited – its environment, culture, aesthetics, heritage, and the well-being of its residents.

Geotourism is environmentally and culturally responsible and it seeks to preserve the distinctive attributes that make each destination a special place to visit.”

- Study by National Geographic and TIA



63% of tourists shop while traveling.

**Sidebar 3.1:  
National Retail Trends:  
People Coming Back to Downtowns**

- Downtown use is growing (from 3.4 to 4.4 trips per month)
- Generation Y & Empty Nesters prefer Downtowns
- Heritage and cultural travelers prefer Downtowns (historic buildings, historic walking tours, etc.)
- 73% of travelers who shop prefer to visit stores they do not have in their home city
- 62% of shopping travelers shop at enclosed malls, 53% at downtown districts, 48% at strip malls/plazas and 38% at outlet centers
- In 2001, 56% of Main Street/Downtown districts increased sales; 61% had new businesses, 78% increased events, and 27% increased housing units - Downtown is making a comeback as the "heart" of the community
- 50% of all retail purchases in the U.S. are made after 5:00 p.m. and on weekends.
- Percentage of profits retained in the community by types of retail businesses:
  - Superstore discounters: \$.06 on the dollar
  - Chain stores: \$.20 on the dollar
  - Independent, "mom & pop" businesses: \$.60 on the dollar

Sources: National Main Street Center, TIA,  
Urban Land Institute

## A.15 Tourists Shop 'Til They Drop

Shopping is the number one activity of leisure travelers while on vacation: 63% of tourists shop while traveling. In fact, half of travelers say that shopping was the primary or secondary purpose of one or more trips taken in the past year. One in five spent \$500 or more on purchases during their trip. They are likely to be Baby Boomers (42%) and have higher-than-average household incomes, although one-third (35%) are Gen X or Yers (age 18-34), and 23% are Matures (age 55+).

Most travelers who shop (73%) prefer to visit stores they do not have in their home city or town. The most popular place to shop on trips is traditional enclosed shopping centers or malls (62%). But major downtown shopping districts or outdoor "Main Street" shopping areas are a close second (53%). Slightly less than half (48%) shop at strip malls or plazas that are not enclosed, and 38% shop at outlet centers. The majority of shoppers want to find items that represent the destination they are visiting; however, travelers most often spend money on clothes or shoes for themselves or others (77%), rather than on souvenirs. For information about shopping, travelers most often turn to people they know, and to hotels where they are staying.

## Challenges & Opportunities for Montana Based on National Tourism Trends

### Challenges

- Access: Montana is far removed from major metropolitan areas (1,000+ miles from California), so when time for leisure travel is a factor, Montana has a disadvantage.
- New markets: Montana has a high rate of repeat visitation, but many travelers are looking for destinations where they have never been. Montana needs strategic, highly targeted promotions to reach new and desirable customer markets.
- Packaging: Montana is difficult to "buy": its independent businesses and remote attractions typically have not worked together to create and market "one call, all-inclusive" packages. Specialty/niche products are available, but not highly visible.
- Image among women: For urban women who plan the family trips, Montana may be perceived as too "rugged," "dangerous" or "remote."
- Services for Matures: Many Montana facilities/attractions are not designed for mature travelers, who have special needs for accessibility, safety, transportation, vision (large print menus, signs, etc.), hearing (phones, etc.) and health services.

- Kid-friendly: Montana has few “kid-friendly” facilities/attractions offering pre-packaged, age-appropriate activities that are convenient for the whole family.
- Heritage & Culture: Montana’s historic and cultural treasures are not well known.
- Business travel: Business travelers are a small percentage of Montana’s travelers.
- Meetings & Conventions: Montana’s *niche* in the convention marketplace is not well established.
- Adventure/sportsmen markets: Montana is an ideal destination for adventure travelers and sportsmen; however, these travelers have a big impact on Montana residents and their favorite recreational activities and places.
- Shopping: Montana’s variety of shopping is not well publicized; stores in rural areas have limited hours, particularly evenings and weekends.

### Opportunities

- Weekend getaways: Nearby metropolitan markets are good targets for packages.
- New customers: Montana’s outstanding variety of assets offers exciting options.
- Use of Internet: Montana is an industry leader in innovative Internet marketing.
- Packaging: The tremendous variety of activities/assets offers endless possibilities.
- Women: Montana’s “softer side” includes desirable scenery, arts/culture, spas, etc.
- Matures: Spring and fall are ideal travel times for matures, if services are provided.
- Families: Opportunities exist for family camps, packages and organized activities.
- Business travelers: There is potential to extend stays, sell add-on’s and attractions.
- Heritage/culture: Montana’s treasures are a best-kept secret waiting to be revealed.
- Rural places & festivals: Unique communities and activities abound at every turn.
- Themes: Montana’s rich history/geography provides fodder for myriad theme trips.
- Non-business conferences: Montana is an attractive destination for these events.
- Canadians: Montana’s northern neighbors travel frequently, love packages/deals.
- Adventure/sportsmen: Guided trips control impacts of adventurers/sportsmen.
- Shopping: Montana has many unique, independent businesses, quality products.

The next two sections summarize research about Montana’s current resident and nonresident travelers and trends. The last two sections of this chapter identify Montana’s niche in the marketplace and top priority target markets, based on state/national trends, Montana’s assets and opportunities, and its tourism vision and goals as stated in Chapter 4.



Fort Peck Theatre

### Leisure Travel of Montanans

- 25% take 4+ trips/month
- 30% take 2-3 trips/month
- 19% take 1 trip/month
- Peak months are July-Sept.
- 44% of trips are 1-day in MT
- 29% are overnights in MT
- 27% are overnights out of MT

Montanans spent \$707 million on leisure trips outside the state in 1999, and \$255 million on leisure trips within the state. Encouraging Montanans to travel within their own state keeps more “Montana money” at home.

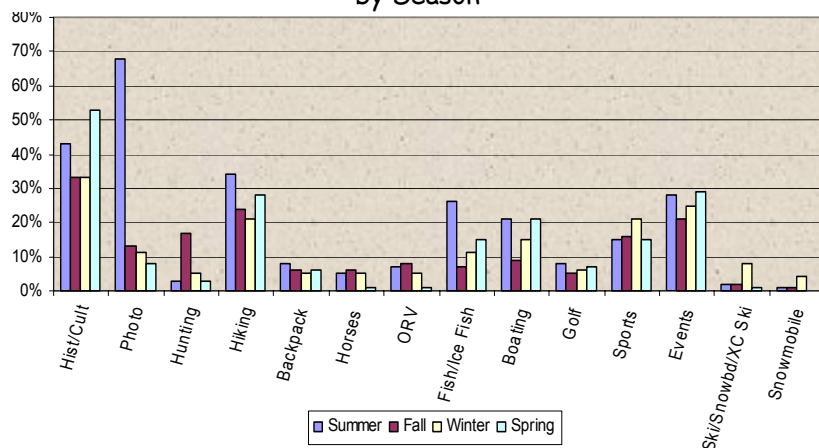
## B. Resident Visitors: Travel Habits of Montanans

Three-quarters of Montanans take one or more leisure trips annually – a higher percentage than the national average.<sup>1</sup> One-in-four Montanans takes four or more leisure trips per month, nearly one-third (30%) take 2-3 trips per month, and about one-in-five take one trip per month, for a total of about 9.2 million leisure trips annually. Nearly one-third (30%) of Montanans travel annually for business reasons, and sixteen percent travel for “other” reasons, such as funerals, medical, relocation, etc.

### Leisure Travel

The largest share (44%) of Montanans’ leisure trips are in-state day trips, 29% are in-state overnight trips, and about one-in-four trips (27%) are taken out of Montana. In 1999, Montanans spent about \$962 million on leisure travel (9.5% of their annual income), and of that, \$255 million (27%) was spent in-state. So while out-of-state trips represent only 27% of Montanans’ leisure travel, those trips represent 73% of their leisure travel spending – over \$707 million spent elsewhere. If more Montanans vacationed within the state, those dollars would not be exported to other destinations. Resident travelers may not bring “new money” to the state, but they keep more “Montana money” at home.

Figure 3.1: Montanans’ Activity on Most Recent Leisure Trip by Season



Of the 6.7 million leisure trips that Montanans took *in Montana*, about 60% were day trips, and about 40% were overnights. Children participated in about one-third of all leisure trips. The most popular activities year-round were: visiting historic/cultural sites and interpretive centers, day hiking, attending special events/festivals or sports events, nature photography, boating and fishing. Other popular seasonal activities were golf, backpacking, off-road vehicles (ORV)/4-wheeling and horseback riding in summer; hunting, 4-wheeling, backpacking and horseback riding in fall; and skiing, snowboarding, snowmobiling and ice fishing in winter (Figure 3.1).

**DAY TRIPS:** During their 4.1 million day trips, Montanans spent an average of about \$20 per trip, for a total of \$81 million (primarily on gas and restaurant/beverage). The top six reasons (in order) for the day

<sup>1</sup> 1999 Resident Traveler Study, University of Montana

trips were: visiting friends and relatives (VFR), rest and relaxation (R&R), shopping, sightseeing, entertainment and recreation (Table 3.1). Those who traveled for shopping spent the most money (\$185/trip), followed by those who traveled for class reunions (\$90), R&R (\$30), recreation (\$28), sightseeing (\$25) and entertainment (\$17). Average daily expenditures for other activities were \$15 or less. The top ten activities in which Montanans participated while on day trips were: visiting historic/cultural sites/interpretive centers, day hiking, nature photography, attending a special event/festival, fishing, attending or participating in a sporting event, boating/water sports, hunting, backpacking and 4-wheeling (Figure 3.2). The majority of the day trips took place in summer (61%), but nearly one-quarter (23%) were in fall (probably due to hunting), 14% were in winter and 3% in spring.

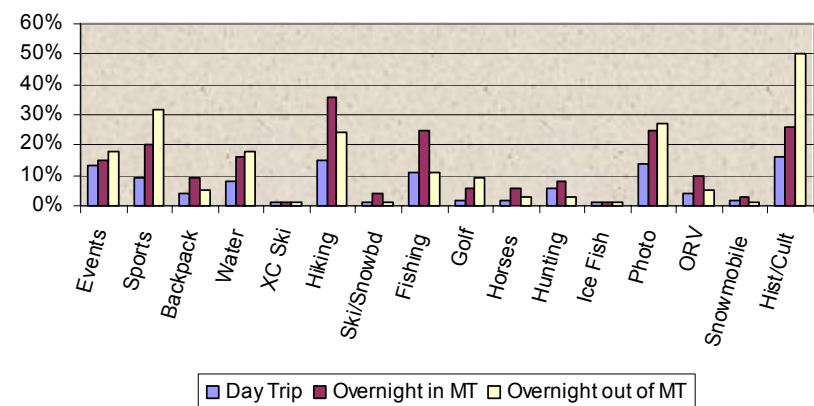
**OVERNIGHT TRIPS:** During their 2.7 million overnight trips in Montana, residents spent an average of 2-3 nights away from home. Their expenditures were about \$65 per trip, for a total of \$174 million, primarily on gas, restaurant/beverage, groceries and lodging (although 60% of groups spent no money on lodging because they stayed with friends/relatives or in an RV or tent). The top five reasons (in order) for overnight trips were: VFR, R&R, recreation, entertainment and sightseeing (Table 3.1). Similar to day trips, those who traveled for shopping spent the most money (\$383/trip), followed by combined reasons (\$199), class reunions (\$152), entertainment (\$147), sightseeing (\$146), "other" reasons (\$113) and recreation (\$110). Average trip expenditures for other overnight trips were less than \$100.

The top ten activities in which Montanans participated during their overnight trip were: day hiking, visiting historic/cultural sites or interpretive centers, nature photography, fishing, sporting events, boating/water sports, special event/festival, 4-wheeling, backpacking and hunting (Figure 3.2). Nearly two-thirds (64%) of overnight trips took place in summer, while 21% were in fall, 11% in winter and 4% in spring. One-third of the overnight stays were spent in hotels, bed & breakfast inns or resorts, while 29% were spent in the home of a friend/relative and 29% in an RV or tent (Figure 3.3 next page). The study report did not provide further details about the demographic characteristics of participants in various trip activities (e.g., which traveler types stayed in hotels, which took longer trips, etc.).

**Table 3.1: Reasons for Montanans' Leisure Travel (in Rank Order)**

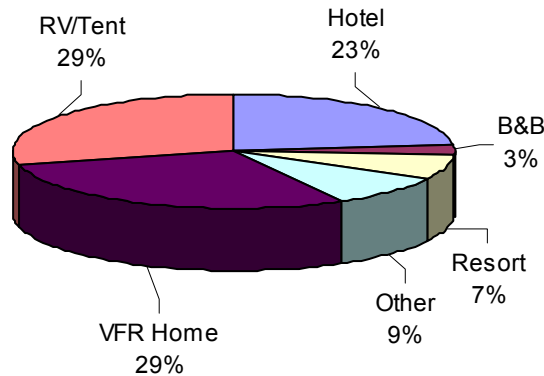
<u>Day Trips in MT</u>	<u>Overnight Trips in MT</u>
VFR	VFR
R&R	R&R
Shopping	Recreation
Sightseeing	Entertainment
Entertainment	Sightseeing
Recreation	Combination
Combination	Family Event
Family Event	Avoiding Winter
Special Event	Shopping
Avoiding Winter	Special Event
Other	Other
Class Reunion	Class Reunion

**Figure 3.2: Leisure Trip Activities of Montanans by Trip Type (% of Groups Participating)**





**Figure 3.3: Accommodations Used for Montanans' Overnight Trips in Montana**  
(% of Nights Spent in Each)



To serve Montanans, tourism and recreation providers need to accommodate older - and larger numbers of - visitors, maintain affordability of recreation, and preserve access to recreation assets (a tall order in a world of limited budgets).

Resident and nonresident visitation trends at Montana attractions could not be compared because data about the ratio of residents vs. nonresident visitors was not available.

### Business Travel

Nearly one-third of Montanans travel for business annually: 9% took three or more business trips per month, 6% took two business trips per month and 14% took one business trip per month. The peak month for business travel was September, followed by December, August and February, and then January and October. Further details about business travel were not part of the 1999 Resident Traveler study.

### Other Travel

About sixteen percent of Montana households participated in “other” types of travel annually (funerals, medical, relocation, etc.): 5% took four or more trips per month, 6% took 2-3 trips per month, and 6% took one trip per month. The peak months for this type of travel were November, February, August and September. Further details about “other” travel were not part of the 1999 Resident Traveler study.

### Implications

The population of Montana is growing, and growing older: Baby Boomers and retirees make up 38% of Montana’s population. Low wages require many Montanans to hold multiple jobs, cutting into their leisure time and expenditures. Activities with the highest potential for capturing more in-state leisure travel spending from Montanans appear to be in the categories of historical/cultural travel, special events/ festivals, enhanced or packaged outdoor recreation for couples and families, and possibly additional activities during family-related and business trips.

Public input obtained by the planning team indicated that affordable access to outdoor recreation assets is a top priority among Montanans for hiking, fishing, hunting, boating and 4-wheeling.



## C. Nonresident Visitors: Current Traveler Profile

Montana is fortunate to possess a great deal of research about nonresident travelers to the state. The University of Montana (UM) in Missoula has an Institute for Tourism and Recreation Research (ITRR) which coordinates and disseminates the results of its annual research. Additionally, ITRR has collaborated with the UM Bureau of Business and Economic Research (BBER), also in Missoula, on previous statewide studies. This section provides an overview of key research findings and trends from several sources, as reviewed and analyzed by the planning team. It is not intended to be a comprehensive analysis, due to the overwhelming volume of data available and the limits of time and space in this document. Instead, it provides key information that pertains to the objectives and actions proposed in this Strategic Plan, and to on-the-ground issues for tourism and recreation stakeholders across the state. A complete list of research references for further information is included in Appendix C. ITRR research publications can be accessed on the web at [www.forestry.umt.edu/itr](http://www.forestry.umt.edu/itr).

### C.1 The Origin of Montana's Nonresident Visitors Has Changed Slightly

In 2001, approximately 9.6 million nonresident tourists visited Montana, and spent \$1.7 billion in the state. About 5.7 million nonresident travelers came in the summer (June-September), about 1.9 million came in winter (December-March), about 1.1 million came in spring (April-May) and 995,502 came in fall (October-November). Those visitors came primarily from the following nine states and one province (listed in order): Washington, North Dakota, Wyoming, Idaho, California, Alberta (Canada), Minnesota, Colorado, Oregon and Utah (Table 3.2).

These nine states are the same ones that appeared at the top of the list in the 1996 ITRR study of summer nonresident travelers in Montana, and in the 1995-96 American Travel Survey, which reported on U.S. travelers from other states who visited Montana as their primary destination. The order of the nine states changed slightly in each study: in the ATS study, Wyoming was the top state of origin, but pass-through travelers were not included in the data; the ITRR study included only summer travelers, and reported that it likely undercounted day-trip travelers from Wyoming.

Table 3.2: Origin of 2001 Nonresident Visitors

Place of Residence	Winter Dec-Mar	Spring Apr-May	Summer Jun-Sept	Fall Oct-Nov
Total # of Grps	801,562	579,300	2,267,140	432,827
Alberta, CAN	<b>7%</b>	<b>5%</b>	4%	<b>7%</b>
Arizona	2%	<1%	3%	0%
British Columbia	2%	2%	2%	0%
California	3%	<b>5%</b>	<b>10%</b>	<b>6%</b>
Colorado	<b>6%</b>	2%	4%	3%
Florida	<1%	<1%	3%	0%
Idaho	3%	<b>10%</b>	<b>6%</b>	<b>10%</b>
Michigan	<1%	4%	2%	2%
Minnesota	<b>5%</b>	<b>5%</b>	<b>5%</b>	<b>5%</b>
New York	<1%	4%	2%	0%
North Dakota	<b>22%</b>	<b>9%</b>	4%	<b>8%</b>
Oregon	3%	4%	4%	4%
Saskatchewan	3%	<1%	1%	0%
South Dakota	3%	2%	1%	0%
Texas	3%	2%	3%	3%
Utah	<1%	2%	4%	5%
Washington	<b>8%</b>	<b>12%</b>	<b>12%</b>	<b>14%</b>
Wisconsin	<1%	<b>8%</b>	2%	0%
Wyoming	<b>17%</b>	<b>7%</b>	4%	<b>7%</b>
Other Western	<1%	4%	<b>5%</b>	2%
Other MW/East	2+%	2+%	<b>18+%</b>	2%
Overseas	<1%	<1%	3%	0%

Source: ITRR Nonresident Visitor Study Reports  
2001-7, 2002-2, 2002-5, 2002-8.

**Table 3.3:**  
**Top 10 States of Origin of Montana**  
**Nonresident Visitors in 2001**

<u>State/Province</u>	<u># Travel Groups</u>
Washington	466,000
North Dakota	354,000
California	306,000
Wyoming	297,000
Idaho	261,000
Alberta, CAN	206,000
Minnesota	204,000
Colorado	163,000
Oregon	155,000
Utah	124,000
<u>Other Places of Origin</u>	
All other states in Table 3.2	ea. 58-108,000
Other Midwestern & Eastern states	490,000
Overseas (down from previous yrs)	68,000

However, the most significant changes in geographic origins of nonresident visitors to Montana are seasonal. Winter visitation from Washington declined nearly 50% in the last decade; while visitation from North Dakota and Wyoming increased from 10% of all travelers in 1993 to 39% in 2001. A new trend in spring was the emergence of Wisconsin visitors in relatively large numbers. Another change in 2001 was the emergence of Alberta in the top ten list (ranked sixth), representing 7% each of fall and winter, 5% of spring, and 4% of summer visitors (Table 3.3). After several years of declining visitation from Canada due to exchange rates, Montana's neighbors to the north appear to be coming back (this is consistent with national trends). The overall level of visitors from WA, CA and ID remained constant.

As Table 3.2 on the previous page shows, visitors from the nearby states and provinces (ND, SD, WY, CO, UT, ID, OR, WA, British Columbia, Alberta and Saskatchewan) make up nearly three-quarters (74%) of winter visitors, 55% of spring visitors, 46% of summer visitors, and 44% of fall visitors. Other western states make up about 9% of winter visitors, 12% of spring visitors, 1% of fall visitors, and 21% of summer visitors (especially California, Arizona and Texas). Midwestern and eastern states, and overseas visitors, make up 11% of winter visitors, 24% of spring visitors, 1% of fall visitors, and about one-third (32%) of summer visitors. Since visitor origins are reported by state of origin, and not by zip code, it could not be determined whether some major cross-state metropolitan areas may be key sources of visitors (such as the New York City metro area, encompassing NY, NJ, PA & CT).

Canadians represent about 12% of Montana's winter visitors, 7% of spring visitors, 8% of summer visitors and 9% of fall visitors. In summer, the percentage of Canadians increased from 7% of all travelers in 1996 to 8% in 2001. In real numbers, that is about 153,000 Canadian travel groups in 1996, and 181,000 in 2001. Meanwhile, the percentage of overseas travelers in summer declined from 1996 levels, from 5% of all travelers to 3% (109,000 overseas travel groups in summer 1996, and 68,000 in 2001). According to the Travel Industry Association (TIA), exchange rates (the strong U.S. dollar) have negatively impacted international travel to the U.S. during this 1996-2001 time period.

## Travelers from Top Four States are Very Different

Sidebar 3.2 summarizes results of the 1995 American Travel Survey, which detailed characteristics of destination travelers to Montana from four key states.

Sidebar 3.2: Destination Travelers to Montana from 4 Key States (1995 ATS Survey Results)

Travelers from Washington	Travelers from California	Travelers from Idaho	Travelers from Wyoming
<ul style="list-style-type: none"> <li>402,000 person-trips to Montana</li> <li>Half VFR, 24% Vacation, 12% Biz</li> <li>56% from Seattle metro area; 31% from Spokane area (estim.)</li> <li>Income: <ul style="list-style-type: none"> <li>&lt;\$40k 37%</li> <li>\$40-\$60k 25%</li> <li>\$60k+ 39%</li> </ul> </li> <li>Average age 30 <ul style="list-style-type: none"> <li>&lt;30 44%</li> <li>30-49 39%</li> <li>50-64 12%</li> <li>65+ 5%</li> </ul> </li> <li>Group size 2.2: 53% adults only, 42% with kids</li> <li>35% high school education, 40% some college, 26% bachelors+</li> <li>Half came in Jul-Sep, 25% in Apr-Jun, 21% Oct-Dec, 9% Jan-Mar</li> <li>Average length of stay: 5.1 nights <ul style="list-style-type: none"> <li>0 nts 13%</li> <li>1-3 nts 34%</li> <li>4-7 nts 39%</li> <li>8+ nts 14%</li> </ul> </li> <li>More than half (57%) stay in VFR home (5.2 nts), only 20% stay in hotel (3.7 nts), 22% other</li> <li>10% flew to Montana</li> <li>Other state destinations (MT was 5<sup>th</sup>): OR (37%), CA (16%), ID (8%), NV (7%), MT (4%)</li> </ul> <p><b>Key Findings: WA Travelers</b></p> <ul style="list-style-type: none"> <li>Many were college students</li> <li>Young (80% under 50)</li> <li>60% make less than \$60,000</li> <li>VFR most common trip purpose</li> <li>Many skiers in Seattle area – promo of direct flights may draw more</li> </ul>	<ul style="list-style-type: none"> <li>533,000 person-trips to Montana</li> <li>Nearly all leisure travelers (96%)</li> <li>2% Business, 2% VFR, none w/ kids</li> <li>Income: <ul style="list-style-type: none"> <li>&lt;\$40k 20%</li> <li>\$40-\$60k 21%</li> <li>\$60k+ 61%</li> </ul> </li> <li>Average age 46 <ul style="list-style-type: none"> <li>&lt;30 20%</li> <li>30-49 69%</li> <li>50-64 0%</li> <li>65+ 12%</li> </ul> </li> <li>Group size: 1.9 people</li> <li>39% high school education, 12% some college, 49% bachelors+</li> <li>38% came Jul-Sep, 30% Apr-Jun, 27% Jan-Mar, 6% Oct-Dec</li> <li>Average length of stay: n/a <ul style="list-style-type: none"> <li>0 nts 0%</li> <li>1-3 nts 23%</li> <li>4-7 nts 55%</li> <li>8+ nts 23%</li> </ul> </li> <li>73% stay in hotel/resort (4.2 nts), 25% other, 2% VFR</li> <li>56% flew to Montana</li> <li>Other state destinations (MT was 14<sup>th</sup>): NV (40%), AZ (10%), HI (4%), NY (4%), CO (4%), MT (1%)</li> </ul> <p><b>Key Findings: CA Travelers</b></p> <ul style="list-style-type: none"> <li>Nearly all leisure travelers, no kids</li> <li>3/4 stay 4+ nights; more than half fly</li> <li>Middle age, well educated, affluent</li> <li>More than 1/4 came in winter (ski?)</li> <li>Most stay in hotels/resorts – longer stays in commercial lodging</li> <li>Vacation most common trip purpose</li> <li>Packages, direct flights may attract more (note heavy travel to NV)</li> </ul>	<ul style="list-style-type: none"> <li>297,000 person-trips to Montana</li> <li>Most traveled to western Montana</li> <li>41% Vacation, 26% Biz, 21% VFR</li> <li>Income: <ul style="list-style-type: none"> <li>&lt;\$40k 39%</li> <li>\$40-\$60k 35%</li> <li>\$60k+ 27%</li> </ul> </li> <li>Average age 39 <ul style="list-style-type: none"> <li>&lt;30 32%</li> <li>30-49 55%</li> <li>50-64 10%</li> <li>65+ 3%</li> </ul> </li> <li>Group size: 2.2 people, 68% adults only, 29% w/ kids</li> <li>36% high school education, 30% some college, 34% bachelors+</li> <li>One-third came Jul-Sep, one-third Apr-Jun (2/3 come Apr-Sep), 20% Jan-Mar, 12% Oct-Dec</li> <li>Average length of stay: 3.2 nights <ul style="list-style-type: none"> <li>0 nts 27%</li> <li>1-3 nts 42%</li> <li>4-7 nts 25%</li> <li>8+ nts 5%</li> </ul> </li> <li>41% stay in VFR home (3.8 nts), 31% in hotel/resort (2.1 nts), 27% other (RV, camping, etc.)</li> <li>Other state destinations (MT was 5<sup>th</sup>): UT (27%), WA (20%), OR (12%), CA (9%), MT (8%)</li> </ul> <p><b>Key Findings: ID Travelers</b></p> <ul style="list-style-type: none"> <li>Many are business travelers (short stays, mid-upper income); fewer in Jul-Sep; 27% day-trippers</li> <li>Older than Washingtonians</li> <li>Could attract more weekend getaways from short distance</li> </ul>	<ul style="list-style-type: none"> <li>657,000 person-trips to Montana</li> <li>Majority day-trippers (58%)</li> <li>Half Vacationers, 20% “Other”, 19% Biz, 14% VFR</li> <li>Trips spread throughout year (29% Oct-Dec: Xmas shopping in Billings)</li> <li>Income: <ul style="list-style-type: none"> <li>&lt;\$40k 56%</li> <li>\$40-\$60k 34%</li> <li>\$60k+ 10%</li> </ul> </li> <li>Average age 40 <ul style="list-style-type: none"> <li>&lt;30 28%</li> <li>30-49 41%</li> <li>50-64 18%</li> <li>65+ 13%</li> </ul> </li> <li>Group size: 2.2 people, 71% adults only, 28% w/kids</li> <li>46% high school education, 24% some college, 33% bachelors+</li> <li>Average length of stay: 2.3 nights <ul style="list-style-type: none"> <li>0 nts 58%</li> <li>1-3 nts 34%</li> <li>4-7 nts 7%</li> <li>8+ nts 1%</li> </ul> </li> <li>Half stay in VFR home (2.4 nts), 40% in hotel/resort (1.8 nts), 9% other (RV, camping, etc.)</li> <li>Other state destinations (MT was 2<sup>nd</sup>): CO (29%), MT (28%), SD (9%), UT (9%), NE (4%)</li> </ul> <p><b>Key Findings: WY Travelers</b></p> <ul style="list-style-type: none"> <li>Many came in Oct-Dec (Xmas shopping in Billings, day trips)</li> <li>Least affluent of 4 states, 1/3 over 50</li> <li>Most Wyomingites stay close to home (travel to adjacent states)</li> <li>Packages and “last minute” deals may increase stays/spending</li> </ul>

### Sidebar 3.3:

#### Winter Trends: 2001 vs. 1993/1998

- More business, vacation & pass-thru travelers in 2001 than in 1998
- 16% are VFR in 2001 (vs. 30-36% in 1993/98)
- 95% repeat visitors in 2001
- Spending: 1993: \$313/trip, 1998: \$228/trip, 2001: \$341/trip
- More couples, slightly more family groups (mostly pass-through) in 2001
- Increasing visitors from ND, WY, CO, ALB, MN
- Decreasing visitors from WA, ID
- Fewer visitors "attracted by" open space/ uncrowded, mountains/forests, rivers/lakes, plains, wildlife, National Parks in 2001
- Increasing: shopping, visits to history/L&C sites, Glacier NP
- Same level: hiking, fishing, events
- Decreasing: wildlife viewing, gaming, visiting museums, skiing, snowmobiling (winter 2001 was a bad snow year)
- More use of Internet, businesses to plan trips
- Less use of auto clubs, 800#s, guidebooks & travel agencies to plan trips

#### Implications:

- More visitors from nearby states, fewer from further away - shorter trips
- Outdoor attractions less of a factor; more interest in history/culture
- Less spending on activities

## C.2 Seasonal Analysis Shows Mixed Trends, Key Declines in Spending

The ITRR 2000-2001 nonresident traveler studies collected seasonal information about the purposes of visitors' trips: vacation, visiting friends/relatives, business or just passing through. They also collected information about travel party size and composition, household income, travel modes, activities, sites visited, expenditures, satisfaction levels and trip planning methods. The sections below summarize the survey findings related to visitor characteristics by season.

### Winter

There were 801,562 nonresident travel groups during the 2000-2001 winter (Dec-Mar, Table 3.2), and they spent nearly \$337 million in Montana, or an average of \$341 per trip. The number of visitor groups increased 31% from 1998 to 2001, and total expenditures increased by 40% (daily spending increased by \$15, or 16%), which was a significant recovery after a 24% decline from 1993-1998. But in 2001, spending on entrance fees, outfitter/guide and miscellaneous services declined 39%, indicating less activity participation. The "typical" winter visitor group consisted of 2.4 people, spent \$111 per day, stayed 3.1 nights, and had a household income of \$60,000-\$80,000. Nearly all visitors had been to Montana before and planned to return within two years (95%+). Almost two-thirds were couples or singles – only 18% were traveling with children, and most of those were passing through. Thirty-nine percent of winter visitors came from North Dakota and Wyoming. About one-in-five (22%) flew for a portion of their trip.

When asked about their *primary* trip purpose, nearly one-third of winter visitors were just passing through Montana on the way to somewhere else, 23% were vacationing in Montana, 18% were traveling for business reasons, and 16% were visiting friends and relatives (VFR), many of them coming for the holidays. Business and vacation travelers were the most affluent groups: 56% of vacationers and 40% of business travelers had household incomes of \$80,000+ (versus 21% of VFR and 31% of pass-through travelers). The most frequently cited activity of visitors while in Montana was shopping (41%), followed by wildlife viewing (17% - down from 24% in 1998), downhill skiing, day hiking and gambling (12% ea.). Interest in historic and cultural activities increased since the 1998 winter study. Less than 15% of winter nonresident travelers visited Yellowstone Park, the Flathead Lake area, Glacier Park or the Little Bighorn Battlefield, although visits to Glacier Park increased from 1993. Statewide, participation in downhill skiing and snowmobiling declined from 1998 to 2001, but Big

Sky skier days rose 6.5%, and the number of snowmobilers in Yellowstone National Park rose 14% during this time period (from Dec-Mar, 1998 to 2001).

### Spring

During the spring (Apr-May) of 2001, there were 579,300 nonresident travel groups, and they spent \$169 million in Montana, or \$292 per trip (vs. \$341 in winter, \$460 in summer). The “typical” spring visitor spent less money (\$96/day), stayed a shorter time period (3 nights), had a smaller travel group (2 people) and was less affluent (income of \$40-\$60,000) than the typical winter visitor. Fewer had been to Montana before and planned to visit again within two years (81-87%).

Nearly half of spring travelers were just passing through Montana on the way to somewhere else. About one-quarter were vacationing in Montana, while 14% were VFR and 11% were business travelers. More than two-thirds were couples or singles – only 10% were traveling with children, and most of those were VFR. Only 16% came from North Dakota/Wyoming (vs. 39% in winter), while 22% came from Washington and Idaho (double the percentage in winter). Nearly one-in-five (19%) were from the Midwest, versus only 5% from Minnesota in winter. Visitors from Alberta and Colorado represented smaller percentages of spring travelers than in winter, while the percentage of visitors from California, Oregon and New York increased in spring.

As in winter, business and vacation travelers were the most affluent (45% of business travelers and 31% of vacationers had incomes over \$80,000, versus 27% of pass-through and 19% of VFR). One-quarter of spring travelers visited Yellowstone Park, while Glacier Park and Little Bighorn each were visited by 19% of travelers. Fewer spring visitors went shopping than winter visitors (27%), but more visited historic sites (22%). Ten to fifteen percent of spring travelers went camping, day hiking, wildlife viewing and picnicking.

### Summer

There were a total of 2,267,140 nonresident travel groups visiting Montana in summer 2001 (June through September), and they spent more than \$1 billion in the state, or \$460 per trip (vs. \$490 per trip in 1996). The total number of summer visitors decreased by 21,000 since 1996 and total expenditures decreased by 3% (-\$28.5 million), because length of stay and group size decreased. The “typical” summer group consisted of 2.5 people (larger than winter or spring), spent \$110 per day (more than spring

#### Sidebar 3.4:

##### **Spring Travelers in 2001**

(Data not available for trends comparison.)

- Nearly half were pass-thru, 23% vacation
- 80% repeat visitors
- Shorter stays, lower spending & smaller travel groups than winter or summer
- Few (10%) had kids along (most were VFR)
- Key markets are: WA, ID, Midwest (esp. WI, MN), ND, WY, ALB, CA
- Interest in history/culture, Nat'l Parks

#### Implications:

- Need VICs, services to capture pass-thru
- Specialty packages focusing on heritage/culture and Nat'l Parks could draw more visitors or extend stays



St. Mary Lake, Glacier National Park

### Sidebar 3.5:

#### Summer Trends: 2001 vs. 1996

- Half of travelers are primarily vacationing
- Increasing: vacationers, biz travelers, couples
- Same level: overall number of visitors, pass-thru travelers, shoppers
- Decreasing: length of stay, group size, total spending, singles, families with kids, VFR
- 75% repeat visitors
- Spending: \$490/trip in 1996, \$460/trip in '01
- More visitors from CA, MN, ALB, B.C., PA, NY, GA, FL
- Same % from ID, OR, UT, ND, TX, IL, MI, WI
- Fewer from WA, WY, CO, AZ, NV, overseas
- More flew and rented cars (time crunch)
- Slightly more "attracted by" open space/uncrowded; fewer "attracted by" mountains/forests, rivers/lakes, wildlife, Glacier Park
- Increased visitation to historic/L&C sites, shopping, hiking, nature study, cultural activities, picnicking, golf, fishing, rafting
- Decreasing: wildlife viewing, camping, gaming
- More: use of Internet, chambers/CVBs and businesses to plan trips
- Less: use of auto clubs, 800#, MT Travel Planner, National Park info & guidebooks
- Useful during trip: highway signs, VICs, brochure racks, front-line service persons

#### Implications:

- Overall revenue per tourist declining
- Fewer families & VFR travelers, more couples
- More interest in passive outdoor and cerebral activities (history/culture), less interest in "roughing it"/scenery/wildlife only
- Need packages/activities for urban couples, families with kids, "fresh" appeal of attractions (National Parks) to repeat visitors.

visitors but slightly less than winter visitors), stayed 4.2 nights (one day longer than winter or spring), and had a household income of \$40-\$60,000 (similar to spring, lower than winter traveler).

About three-quarters of summer travelers had been to Montana before, and planned to return within two years. More than half (55%) were singles or couples, but couples were 41% of all summer travelers (up from 38% in 1996). One-quarter of summer visitors were traveling with children, a decrease from 1996. More than one-in-four came from Washington, Idaho, Wyoming and the Dakotas, while 13% came from other nearby states (UT, OR, CO, NV). Ten percent were from California, 17% from the Midwest, 8% from the southwest (AZ, TX, NM, OK), 16% from the east/southeast, 8% were from Canada and 3% from overseas (down from 5% in 1996).

The primary trip purpose was vacation for half of summer travelers, while 21% were just passing through, 15% were visiting friends/relatives and 7% were traveling on business. Business travelers and vacationers were most affluent, as 42% of business travelers and 35% of vacationers had household incomes of \$80,000+ (versus 26% of VFR and 24% of pass-through travelers). Nearly half of summer travelers visited Yellowstone Park, one-third visited Glacier Park, 14% visited Little Bighorn and 7% visited the Lewis & Clark Interpretive Center. About one-third of summer travelers enjoyed shopping, wildlife viewing and day hiking, while one-in-four enjoyed picnicking, visiting historic sites and camping, and about one-in-five enjoyed museums, fishing and visiting Lewis & Clark/American Indian sites. Fewer than 10% of nonresident summer travelers participated in gaming, golf or rafting.

#### Fall

The fall study (Oct-Nov 2001) of nonresident travelers had less data available than the other three seasonal studies due to smaller sample size (after September 11<sup>th</sup> travel restrictions), and could not be compared to the 1993 fall three-month (Sept, Oct, Nov) travel study for analysis. There were 432,827 fall nonresident travel groups, almost half of which were couples (42%), one-quarter were singles, and 21% were families. Only 10% were traveling with children. The "typical" fall travel group consisted of 2.03 people and stayed 3.94 nights in Montana. Most fall travelers were repeat visitors (89%), and almost all (94%) plan to return within two years. Eleven percent flew and/or rented a car while on their trip. Slightly more than half had



household incomes of less than \$60,000. Although one-quarter of all fall travelers, and 39% of vacationers, earned \$100,000+, more than any other season.

One-third of fall travelers were merely passing through, 29% were on vacation, one-quarter were VFR, 7% were business travelers, and 4% each were shopping/other. Vacationers stayed five nights, half the time in hotels; VFRs stayed 6.5 nights, mostly in private homes (65%). Pass-thru travelers stayed only 1.5 nights. Fall visitors enjoyed shopping (34%), wildlife watching (22%), hunting (17%), day hiking (16%) and fishing (13%). Vacationers' primary purpose in visiting Montana in the fall was shopping or hunting. Almost half (43%) of all vacationers hunted, and 15% hired an outfitter.

Visitors originated from WA (14%), ID (10%), ND (8%), WY and ALB (7% each), CA (6%), MI and UT (5% each), OR (4%), CO and TX (3% each) MN, NV and PA (2% each). Comparison -figures from Montana Fish, Wildlife & Parks indicate the top states of origin for nonresident big game hunters (primarily fall visitors) are the following: WA, ND, CA, MN, WI, PA, MI, TX, OR, NY, FL, and OH.

### Summary of Seasonal Trends

The following is a summary of seasonal traveler trends and differences:

- **In summer, half of travelers are vacationers**, an increase since 1996. One-in-five is pass-through (unchanged since 1996, and a lower proportion than spring, fall or winter). About 15% are VFR – a decline from 1996, and about the same proportion as in spring and winter, but much lower than fall (23%).
- **In winter, one-third of travelers are VFR, 29% are pass-through**, 23% are vacationers, and 18% of travelers are business travelers.
- **In spring, nearly half of travelers are pass-thru**, and 23% are vacationers. Spring travelers have the smallest groups, shortest stays and lowest spending.
- **In fall, one-third of travelers are pass-thru (34%)**, 29% are vacationers, 23% VFR. Fall vacationers are affluent, and like to hunt and shop.
- **Except in summer**, two-thirds of travelers are couples/singles. In summer, 25% have kids along (versus 10% in spring or fall, 18% in winter).
- **Overall spending declined in summer** due to declines in trip length and group size as travelers have smaller families and less leisure time. Summer travelers have the largest travel groups and stay longest, but winter travelers spend more per day.

### Sidebar 3.6:

#### **Internet Conversion Study Results**

- Conversion study measured influence of Montana [www.visitmt.com](http://www.visitmt.com) web site on visitor conversion and economic impact
- 2,120 visitors to [visitmt.com](http://www.visitmt.com) site were contacted in Nov-Dec 2001; 33% survey completion rate
- "Well-connected" web users: 92% have home access; 60% workplace access
- Web search timing: 2+ months before travel (68%), 1-2 months (24%); 4 wks or less (8%)
- Nearly three-quarters (73%) revisit travel web site more than once a month
- 10% were directly influenced to visit; almost half were somewhat influenced
- Web site helped generate 18,000 trips to MT
- Site-influenced visitors spent over \$39 million in state; ROI approx. \$28 for each \$1 spent by MT
- Internet not a substitute for print materials; about half used phone/mail for add'l info
- Visitor profile: 2.9 per party, 30% with children
- Half visit in summer, 19% fall, 12% spring, 6% winter
- Economic impact: 7 night stay, avg. \$300/day
- Trip experience: 93% satisfaction, 84% very likely to return within 2 yrs
- Visitor image of Montana: history, outdoors/nature, getaway, adventure
- L&C sites need promotion to increase awareness of MT sites
- States of origin: WA, CA, MN, MT, IL, WI, OR, TX, FL

#### Implications

- Highlight new features/attractions to increase repeat visitation
- Promote each season in advance
- Regularly monitor search engine links
- Continue to promote web address in print

Source: DOC 2001 Internet Conversion Research Report



Western Heritage Days, Grant-Kohrs Ranch

While national trends show that family travel is up, the percentage of families coming to Montana has declined.

- **Washingtonians are the largest group (12%) traveling to Montana**, as a percent of all visitors, but their proportion has declined. Visitation from North Dakota and Wyoming has increased in winter, and remained stable in summer. More Californians and Midwesterners are coming in summer, while numbers of Idahoans and Wisconsinites increased in spring (visitation from Idahoans is stable in summer). Canadians make their strongest showing in winter and spring.
- **Yellowstone and Glacier Parks are still the most visited sites** in all seasons. Flathead Lake and Little Bighorn Battlefield are second in year-round popularity.
- **Interest in heritage/cultural attractions has grown** in all three seasons. Shopping, wildlife watching and hiking are the most frequent primary activities in all seasons. Active outdoor recreation (camping, skiing, snowmobiling) seems to have declined – though weather could be a factor – while passive outdoor activities (golf, fishing, picnicking) increased. Perhaps this is a result of Baby Boomers comprising an increasing portion of the traveler market.

### C.3 Half of 2001 Nonresident Visitors had Shorter Stays, Spent Less than 1996/98

The ITRR nonresident visitor research identified travelers by their “primary” and “other” trip purposes. The paragraphs below describe the characteristics of the four major traveler types (vacationers, pass-through, VFR, and business), based on those who chose the type as their “primary” trip purpose.

Table 3.4: Primary Trip Purpose of Nonresident Visitors

Purpose	Winter	Fall	Spring	Summer	Total
<b>Vacation</b>	23%	29%	23%	<b>52%</b>	<b>41%</b>
No. of Groups	184,380	125,520	133,239	1,178,913	1,496,511
<b>VFR*</b>	<b>32%</b>	23%	14%	15%	19%
No. of Groups	256,500	99,550	81,102	340,071	677,673
<b>Business</b>	18%	7%	11%	7%	10%
No. of Groups	144,281	30,298	63,723	158,700	366,704
<b>Pass-Through</b>	29%	<b>34%</b>	<b>47%</b>	21%	27%
No. of Groups	232,453	147,161	272,271	476,099	980,823
<b>Total Groups</b>	801,562	432,827	579,300	2,267,140	3,648,002

\* Visiting Friends/Relatives

Source: ITRR Nonresident Visitor Study Reports  
2001-7, 2002-2, 2002-5, 2002-8

#### Vacationers

Vacationers represented half of Montana’s nonresident travelers in summer, and about one quarter of travelers in winter, spring and fall. In winter, nearly half of them also were visiting friends or relatives – many of them over the holidays (which links to 88% being repeat visitors). Eleven percent of winter vacationers also cited shopping as a reason for their trip – not surprising since 43% of winter vacationers came from North Dakota and Wyoming, two key markets for retail businesses in Billings. In fall, 35% of vacationers were visiting friends or relatives; while in spring and summer, less than 20% were. Nearly half of winter and summer vacationers were couples (56% in spring, 33% in fall). Few were traveling alone in

summer, compared to spring (17% singles), and fall (23%). In summer, about one-third were traveling with family (29% brought children), while in fall and winter, only 15-16% brought kids. This trend is a bit surprising, since national trends indicate that family travel is increasing, but in Montana, it declined from 1996 to 2001. This may indicate an opportunity and a need for Montana tourism partners to package and market more family trips.

North Dakotans represented one-third of winter vacationers and 7% in the fall, yet they were less than 1% of vacationers in spring and only 3% in summer. VICs report they are shopping, skiing and snowmobiling in Montana. Washington was the top state of origin for vacationers in spring (18%) and fall (13%), second in summer (9%), but tied for seventh with New York and Colorado in winter (3%) – a big drop from 1996. Further investigation about Washingtonians may reveal the reason for the decline, since they clearly still are a major market for Montana in other seasons (they top the list of nonresident fishing license purchasers). The Midwest also is a key market for vacationers (particularly MN, WI, MI, IL and OH), as is the southwest (CO, TX, AZ). California is the top summer market, second in fall, third in spring, fifth in winter. In summer, Alberta is third and Utah fourth. In spring, Oklahoma, South Carolina, and Virginia emerged as markets. In fall, 5% of vacationers come from Alberta, Minnesota, Oregon and Idaho.

Vacationers were the second most affluent type of visitors to Montana (behind business travelers), particularly in winter (most likely destination skiers and snowmobilers) and fall (hunters): more than half earned \$80,000+, more than a third \$100,000+. In spring and summer, about one-third earned \$80,000+. Winter and spring vacationers spent about 3.6 nights in Montana, while in summer, they stayed 4.6 nights, and in fall 5 nights (hunters tend to stay longer).

In winter, one-third of vacationers were skiers, and about 10% each were snowboarders, snowshoers and snowmobilers. Shopping, hiking, wildlife viewing and festivals/events also were popular. In spring and summer, the top activities were visiting historical/cultural sites, hiking, shopping, camping, wildlife viewing and picnicking. In fall, the most popular activities were hunting, shopping, wildlife viewing and fishing. In summer, 9% of vacationers used an outfitter during their trip and 15% did in fall. In 2001, Yellowstone Park was visited by half of spring vacationers, and one-third of summer, fall and winter vacationers. Glacier Park was

### Sidebar 3.7:

#### Vacationer Characteristics by Season

- Half are couples; about 1/3 are families in summer
- Repeat visitation: 70% summer, 88% winter
- More affluent (esp. winter) than VFR or pass-thru
- Family travel declining (29% w/kids in summer)
- Spring/summer activities: history/culture, hiking, shopping, wildlife
- Used Internet, auto clubs, national park brochures/MT Travel Planner to plan trips
- Useful during trip: front-line service, VICs, brochure racks, and highway signs

#### Summer

- 52% of all travelers: 1/2 couples, 1/3 families
- Key Markets: CA, WA, ALB, UT, OR, CO, Midwest, Southwest, Europe, FL, GA, NY, MD, PA, BC
- Average length of stay: 4.6 nights
- Attract'ns: 1/3 visited YNP, 1/4 GNP, 13% Flathead Lake, 3% Little Bighorn, 9% hired an outfitter

#### Winter

- 23% of all travelers: 16% with kids, 1/3 w/income of \$100,000+, 56% \$80,000+
- Decreasing visitors from WA in winter
- Markets: ND, WY (shopping), MN, OH, CA, ALB, WA, UT, ID, CO, NY, Europe
- Average length of stay: 3.6 nights
- Attractions: 1/3 skiers, 10% each snowboarding, snowmobiling, snowshoeing. 1/3 visited YNP & Little Bighorn, 1/4 Flathead Lake, 10% visited GNP, events

#### Spring

- 23% of all travelers: 56% couples, 17% singles, 1/3 w/income \$80,000+
- Markets: WA, WI, MI, OK, ID, ALB, CA, IL, MN
- Attractions: 50% YNP/GNP, 34% Little Bighorn, 1/4 Flathead Lake
- Average length of stay: 3.6 nights

#### Fall

- 29% of all travelers: 33% couples, 23% singles, 1/2 w/income \$80,000+, 15% used outfitter, stayed 5 nts
- Markets: WA, CA, ND, MN, ALB, OR, ID, ONT, MI, NV
- Activities: hunting, shopping, wildlife watching, fishing

### Sidebar 3.8:

#### Pass-Thru Traveler Characteristics

- 28% (about 2.3 million) of 2001 nonresident travelers were just passing through
- Half of spring travelers were pass-through
- Couples and singles, interested in historical/cultural sites and attractions, moderate income.
- 1 night stay - little activity in Montana

#### Winter

- 1/3 couples, 1/4 singles, 20% families, 24% w/kids, 1/3 with income \$80,000+
- Markets: WY, Canada, ND, WA, ID, CO, MN
- Activities: shopping, gambling, picnicking, wildlife, L&C
- Highest repeat visitors: 99%

#### Spring

- 1/3 couples, 31% singles, 20% families, 8% with kids, 56% income <\$60,000, 75% repeat
- Markets: ND, WA, WI, ID, NY, OR, WY, MN
- 1/4 visited YNP, 20% Little Bighorn Battlefield, 12% GNP
- Activities: history/culture, Native American, shopping, camping

#### Summer

- 45% couples, 32% families, 22% with kids
- Markets: WA, ID, CA, MN, OR, ND, ALB
- Activities: 18% visited YNP, shopping, picnicking, camping, hist/cult, wildlife, hiking
- Use of internet, auto clubs, NPS brochures
- Highway signs and front-line service useful

#### Fall

- 34% of all travelers, 57% couples, 9% with kids
- Markets: WA, ID, ALB, CA, MN, WY, ND, OR, BC
- Activities: 18% shopping, 13% wildlife watching, 12% visited YNP, 10% camping

#### Implications

- Highway signs, customer service training and VICs are important to capturing pass-through travelers.
- Target matures/couples in fall-winter-spring, families in summer.

visited by 40% of vacationers in summer, nearly half in spring, 24% in fall and only 10% in winter. Little Bighorn had the highest rate of visitation in spring, drawing one-third of vacationers (versus 12% in fall, 5% in winter and 3% in summer). The Flathead Lake area drew about one-fourth of vacationers in winter and spring. However, when asked about visitation to major sites “over the years,” 2/3 of summer vacationers had been to Yellowstone Park, 43% to Glacier Park, 24% to Flathead Lake, 18% to Little Bighorn Battlefield, and 9% to the Lewis & Clark Interpretive Center. Fresh, themed packaging and marketing of major attractions and sites would encourage repeat visitors to return.

Trip planning sources for vacationers were the Internet, followed by auto clubs, national park brochures and other guidebooks (including Montana Travel Planner). In winter and fall, half of vacationers did not use any trip planning sources listed on the survey (friends/relatives were not listed), and in spring and summer, about one-fourth did not use any sources listed. The high levels of repeat visitation may be linked to the number of visitors who did not use planning assistance. During their trip in Montana, vacationers used front-line service persons, VICs, brochure racks and highway signs.

#### Pass-Through Travelers

Nearly half of Montana’s spring travelers were just passing through, as were one-third of fall visitors, more than one quarter of winter visitors, and one-in-five summer visitors. In spring and summer, one-third or more of pass-through travelers were on vacation – but passing through Montana to vacation somewhere else. A few also were visiting friends/relatives, or traveling for business or shopping. Most pass-through travelers spent only one night in Montana – taking little time for activities. In fall, more than half of travel groups were couples, compared to one-third in winter and spring. One-quarter were singles and one-in-five were families in winter and spring. In summer and fall, there were more couples and families, and fewer singles. In winter and summer, about one quarter of pass-through travelers had kids along, but in spring and fall, only 8-9% had children with them.

Most of the winter pass-through travelers came from nearby states and provinces (WY-24%, ALB-16%, ND/ID/WA 8-11% each, SASK/CO/BC/MN 4-6% each), as did fall (WA-18%, ID-13%, ALB-12%, CA, MN, WY 5% each). In spring and summer, Washington and Idaho were top states of origin, followed by a mixed bag of travelers (in spring, WI, NY, OR, WY & MN, and in summer, CA, MN, OR & ND). Canadians

represented 26% of winter pass-through travelers, 6% in spring, 8% in summer and 19% in fall. About 13% of pass-through travelers flew during a portion of their trip, and a few rented cars. In summer, 20% of the cars were rented in Utah and 18% in Washington, indicating that travelers were flying into Salt Lake City, Spokane and Seattle.

Nearly all winter (98%+) and fall (86%) pass-through travelers had visited Montana before, and planned to return within two years. About three quarters of spring and summer pass-through travelers had visited before. Only 40+% of pass-through travelers had incomes of \$60,000+ (vs. 56-75% of destination vacationers). Winter pass-through travelers were slightly more affluent (31% earned \$80,000+).

Very few winter pass-through travelers stopped at major attractions or participated in activities other than shopping (26%) or gambling (15%). In spring, about one-quarter stopped at Yellowstone Park, one-in-five at Little Bighorn Battlefield and one-in-ten stopped at Glacier Park. The top spring activities were historical/cultural attractions (museums, Native American and Lewis & Clark sites), and about ten percent went shopping or camping. In summer, about 18% visited Yellowstone Park, but few stopped at other attractions. Other summer activities were shopping, picnicking, camping, historical/cultural activities and wildlife viewing, though none of these attracted more than 18% of pass-through travelers. Fall pass-through travelers enjoyed shopping (18%), wildlife watching (13%), visiting YNP (12%) and camping (10%).

Many pass-through visitors did not use any trip planning sources listed in the survey, but of those who did, most used the Internet and auto clubs. While traveling through Montana, information sources were highway signs and service persons.

### VFR Travelers

Travelers visiting friends and relatives represented one-third of all winter visitors (many staying over the holidays), almost one-quarter of fall visitors, but in spring and summer, they were only about 15% of travelers (those who listed VFR as their primary trip purpose). About one-third of them in winter, spring and fall, and two-thirds in summer, were also vacationing. They stayed about five nights in winter (70% of nights in the homes of friends/relatives), four nights in spring, six nights in summer (56% of nights in homes), and almost seven nights in fall (65% in homes). In winter, 44% of VFR travelers were traveling alone (presumably many were students

### Sidebar 3.9:

#### **VFR Traveler Characteristics**

- Least affluent (50-60% earned <\$60,000)
- Majority stay in VFR home; 1/4 with kids in summer
- Longest stays of all traveler types
- 1%-14% visit major attractions, spend time shopping, visiting historic sites/events and outdoor activities (hiking, picnicking, fishing, ORV, wildlife, camping, golf, history/culture)
- Markets: WA, ID, WY, CA, CO, ND, NM, OR, AZ, SD, MN
- 1/2-2/3 used none of trip planning sources

#### Winter

- 1/3 of all travelers
- 1/4 couples/families, 44% singles (students)
- 21% earn \$80,000+ (vs. 56% of vacationers)
- Avg. stay: 5 nts (70% at VFR home)
- Activities: 20% visited Little Bighorn, shopping, wildlife

#### Spring

- 15% of all travelers
- 44% couples, 1/4 singles, families
- Avg. stay: 4 nts (half at VFR home)
- 19% earn \$80,000+ (vs. 31% of vacationers)

#### Summer

- 15% of all travelers
- 1/3 couples, 19% singles, 40% families, 27% with kids
- 26% earn \$80,000+ (vs. 35% of vacationers)
- Avg. stay: 6 nts (half in VFR home)

#### Fall

- 23% of all travelers
- 46% couples, 29% families, 23% singles
- Avg. stay: 7 nts (65% at VFR home)

#### Implications

- Less than 15% of VFRs visited major attractions in Montana, except 20% stopped at Little Bighorn in winter, 21% at YNP in fall

### Sidebar 3.10:

#### Business Traveler Characteristics

- Most affluent traveler type (40% with income \$80,000+), from nearby states, many are former Montana residents
- 1/4 combine business with vacation in summer
- 1/2 to 2/3 traveling alone, 1/5 with spouse
- Activities: 25% visited GNP, shopping, gambling, history/culture, hunting
- Markets: ND, WA, CA, CO, WY, ID  
1/3 flew (43% in summer)

#### Winter

- 18% of all travelers

#### Spring

- 11% of all travelers
- 14% bring families, 2%-3% with kids

#### Summer

- 7% of all travelers
- 14% bring families, 10% with kids
- Longest stays of all travelers: 7.6 nights

#### Fall

- ITRR analysis of business travelers was omitted due to small sample size of business travelers

#### Implications

- High potential to increase spending, extend stays with add-on activities
- Potential targets for MT's biz recruitment



Big Hole National Battlefield

coming home from college for the holidays, although age and occupation data is not available), and about one-quarter each were couples and families. In spring and fall, 44% were couples, and about one-quarter each were singles and families. In summer, about one-third were couples, 19% singles, and nearly 40% families (27% of summer VFR travelers had kids along, versus 15-18% in other seasons).

The top states from which VFR travelers originated were Washington, Idaho, Wyoming, Arizona, South Dakota, California, Oregon and Minnesota. It is interesting to note that Washington was at the top of the list for winter, summer and fall VFR travelers, because overall winter visitation from Washington declined since 1993. Nearly one-quarter of the VFR travelers flew during a portion of their trip. Most had been to Montana before, and planned to return within two years (90%+). In general, VFR travelers were the least affluent of the four traveler groups.

Less than 15% of spring and summer VFR travelers visited major attractions in Montana, while in winter and fall one-in-five stopped at Little Bighorn or Yellowstone National Park. During fall, shopping, day hiking, wildlife watching, visiting museums/historic sites, hunting and sporting events (e.g. football) were favorite activities. Year round, popular activities were outdoor recreation (hiking, picnicking, fishing, 4-wheeling, wildlife viewing, camping, golf) and historical/cultural activities (museums, Lewis & Clark, Indian sites, festivals and events). About half went shopping during their visit. The majority (half to two-thirds) of VFR travelers did not use any of the trip planning sources listed on the survey, but of those who did, the Internet was most common (used by 20-30% of VFRs). While in Montana, highway signs, front-line service personnel and VICs were useful.

#### Business Travelers

The smallest, but most affluent, segment of nonresident tourists are those whose primary trip purpose is business. They represent only 18% of nonresident tourists in winter, 11% in spring, and 7% in summer and fall. Interestingly, they stay longer in summer than other travelers (Table 3.5), in part because about one-quarter are combining business with vacation, and 18% are also visiting friends/relatives. This group of travelers also mentioned that hunting in Montana is an attraction for them, so they could be expected to return in the fall. Unfortunately, due to the small sample size of the fall survey, comprehensive analysis of fall travelers whose *primary* trip purpose



was business was omitted. However, 13% of all fall travelers listed business as one reason for their trip. In the other three seasons, half to two-thirds of business tourists were traveling alone, while 15-18% were traveling with a spouse or partner and 10-15% with business associates. In spring and summer, about 14% brought family along (10% brought kids in the summer, versus 2-3% with kids in winter and spring).

The states from which business travelers originate are North Dakota (37% of winter business travelers, 21% in spring), Washington (12% in summer), California (11-12% in spring and summer), Colorado (10% in spring), Wyoming (11% in winter) and Idaho (9% in summer). More than one-third flew during a portion of their trip (43% in summer), and about one-quarter rented cars (one-third in summer). Most of the business travelers had been to Montana before and planned to return within two years (87+%). More than 40% of business travelers had household incomes of \$80,000+, and nearly two-thirds had incomes of \$60,000+ (82% in winter).

However, not many business travelers stopped at Montana's major attractions, with the exception of about 25% visiting Glacier Park in winter. Less than 20% visited Yellowstone Park, Ft. Peck Lake or the Lewis & Clark Interpretive Center in winter, or Yellowstone Park in spring. Few business travelers engaged in outdoor activities, though some went hiking, fishing and wildlife viewing. Shopping, gambling, and historical/cultural activities were more popular. Less than one-third used trip planning sources listed in the survey, and of those, the most used were the Internet, private businesses and travel agents. During their trip, business travelers used front-line service persons, highway signs and brochure racks.

### ATS Survey Results

The ATS survey results summarized in Sidebar 3.2 in section C1 (page 49) are from 1995, but they are consistent with more recent findings from other sources, and

Table 3.5: Nonresident Tourist  
Length of Stay Comparison (Nights)

<u>Tourist Type</u>	<u>Winter</u>	<u>Spring</u>	<u>Summer</u>	<u>Fall</u>
Vacationer	3.6 nts	3.7 nts	4.6 nts	4.9 nts
Pass-Thru	1.0 nts	1.2 nts	1.4 nts	1.5 nts
VFR	4.9 nts	4.1 nts	5.7 nts	6.6 nts
Business	3.6 nts	1.0 nts	7.6 nts	n/a

Sidebar 3.11:

**Destination Traveler Characteristics  
from All 50 States to Montana  
(1995)**

- Half of all destination travelers were vacationers, 24% were VFR
- 60% traveled 1,000+ miles to get to Montana: 26% traveled less than 300 miles (WY/ND/SD/ID/BC/ALB/SASK)
- **25% of all destination travelers flew**
- Two-thirds came from April-September
- 31% stayed 1-3 nights, 31% stayed 4-7 nights, 20% did not overnight
- 42% stayed in hotel/resort, 37% in VFR home, 22% other (RV, camping, etc.)
- Average age was 41
- One-quarter were 50+, 45% were 30-49, and one-third were under 30
- Group size was 2.2 people (average)
- 41% were couples, 30% traveled alone, 27% had kids along
- 35% earned \$60,000+ annually, 29% earned \$40-60,000, 37% earned less than \$40,000
- 36% had a high school education, 25% had some college, 39% had a bachelors degree or higher

Source: 1995 American Travel Survey/ITRR

Nearly half of Montana's 2001 nonresident tourists were pass-through/VFR/shopping travelers combined. These three categories have shorter stays and spend less money than vacationers or business travelers.

they provide more detailed data about visitors from four key states from which many of Montana's travelers originate. The same study looked at Montana's destination travelers from all 50 states, and the results are summarized in Sidebar 3.11 at left.

**Summary of Traveler Types**

- **Vacationers** are half of all travelers in summer, one-quarter in fall, winter and spring. The majority of them are couples, though one-third are families in summer. One-in-three winter vacationers are skiers, 41% are shoppers and 20% hikers. In fall, 43% enjoy hunting, 41% go shopping and 34% go fishing. In spring, most popular activities are historical sites, hiking, shopping, and camping. In summer, vacationers enjoy wildlife viewing, hiking, shopping, picnicking, and history. Top vacationer markets overall are WA, CA, ND, ALB, MN, MI, ID, WY, OR, and CO. However, in winter the primary markets are ND, WY and MN, while in spring, top states are WA, WI, MI, and OK. In summer, the number one state is CA, followed by WA, Alb, MN, and UT, and in fall, the top states are WA, CA and ND. Vacationers were the second most affluent traveler type, behind business travelers.
- **Pass-through** travelers are half of all nonresident travelers in spring, one-third in fall, one-quarter in winter and one-in-five in summer. They originate mainly from surrounding states/provinces (in winter, one-in-four are Canadians; in fall, one-in-five), but also from WA, ID, CO, MN, WI, OR and CA. They stay only one night in Montana, and make few stops other than for gas and meals. Those who do stop for attractions or activities go shopping, visit historic/cultural sites and Yellowstone Park, wildlife watching or picnicking. About one-third of pass-through travelers are couples, one-in-four are singles, and twenty percent are families (there are more couples and families in summer and fewer singles in fall). About one-quarter have children with them (8-9% in spring/fall). Most have been to Montana before. This group tends to be less affluent than vacation or business travelers, but more affluent than VFR travelers.
- **VFR travelers** are one-third of winter visitors, 23% in fall, and about 15% in spring and summer. They stay longer than other visitors (4-6 nights), but half to two-thirds of those nights are spent in the homes of family/friends. In winter, 44% of VFR travelers are single – presumably students coming home for the holidays, while one-quarter are couples and one-quarter families. In spring and fall about 45% are

couples, and one-quarter are families, while in summer, one-third are couples and 40% are families (27% have kids along). Less than 15% of VFR travelers visit Montana's attractions, but they do shop, visit historic/culture sites and join their resident family/friends in outdoor recreation activities like hiking, hunting, fishing, 4-wheeling, etc. They originate mainly from WA, ID, WY, MN, ND, AZ, CO, CA, OR, ALBT, UT, and 86%+ are repeat visitors. VFRs are the least affluent of all traveler types.

- **Business travelers** represent 7%-18% of all nonresident travelers in Montana. They are the most affluent traveler type (1/3 earn \$100,000+), and in summer, one-quarter of them combine business with vacation in Montana (average summer stay is 7.6 nights). Half to two-thirds of them travel alone, but 15%-18% are couples, and 14% bring their family along. They originate from ND, WA, CA, CO, WY and ID. One-third of them fly (43% in summer), and one-quarter rent cars. Most are repeat visitors (87%+), and many of them are sportsmen (11% went fishing in summer, and 17% were attracted by Montana's hunting opportunities). They also enjoyed shopping, historic/cultural sites, gambling and Glacier Park (25% in winter).
- In 2001, half of all nonresident visitors in Montana (53%) were pass-through/VFR/shopping travelers combined. These three categories of travelers have shorter stays and tend to spend less money than vacationers or business travelers. Shoppers are primarily day-trippers from WY/ND/ID/ALB.
- The extremely high numbers of repeat visitors could result from several factors: satisfied customers; many shoppers/pass-through/business travelers from neighboring states; many college students/VFR travelers coming home to visit family; and/or many out-of-state vacation homeowners visiting their property. Vacation travelers have lower repeat visitation rates than VFR, pass-through or business travelers, but still post relatively high repeat rates of 70%-88% (Table 3.6).
- Nationally, vacationers are taking shorter vacations, creating declines in overall length of stay and spending.
- Half of Montana's commercial airline passengers are nonresident travelers.
- These findings of larger proportions of repeat, pass-through and VFR travelers, and shorter trip lengths, partially explain why visitation at key sites around the state has declined, despite increases in the overall quantity of visitors.

**Table 3.6: 2001 Nonresident Tourist Repeat Visitation Rate Comparison (%)**

<u>Tourist Type</u>	<u>Winter</u>	<u>Spring</u>	<u>Summer</u>	<u>Fall</u>
Vacationer	88%	74%	70%	84%
Pass-Thru	99%	75%	75%	86%
VFR	97%	94%	91%	97%
Business	90%	87%	87%	n/a



**Carriage Ride in Helena**

Sidebar 3.12: **Montana's Competition**

State	Key Attractions/Destinations
<b>Calif.</b>	Beach/ocean, urban centers/arts/culture (SF/LA), Napa Valley, Disneyland, conventions, Yosemite/Redwoods/Death Valley Nat'l Parks, San Diego, Hwy 101, mountains, lakes (Tahoe), forests, whitewater, skiing, pro sports, fishing, hunting, camping, bike touring, western/Spanish/tribal heritage, scenic byways
<b>Nevada</b>	Gambling/entertainment, conventions, packages, Lake Mead/Havasu, rodeo, mining/western history, high desert, Lake Tahoe, skiing, boating, fishing, hunting, camping
<b>Idaho</b>	Sun Valley, Boise, Coeur d'Alene, lakes, golf, convention center, Salmon River, Hells Canyon, hunting, fishing, whitewater, skiing, snowmobiling, hiking, Frank Church/Selway/Bitterroot/Sawtooth Wilderness, Craters of the Moon NM, western/mining/tribal history, Lewis & Clark Trail, camping, scenic byways
<b>Utah</b>	SLC, Salt Palace, pro sports, Park City, Moab, Zion/Bryce Canyon/Arches Nat'l Parks, Red Rock Canyon, camping, skiing, snowmobiling, hunting, mountain biking, hiking, scenic byways
<b>Wash.</b>	Ocean, Seattle, pro sports, urban amenities/arts/culture, conventions, Pike Street Market, Mt. Rainier, Olympic Mtns, Mt. St. Helens, fishing, skiing, hiking, bike touring, tribal/fur trading history, wineries, scenic byways, Lewis & Clark Trail
<b>Oregon</b>	Beaches/ocean, Portland, arts/culture, pro sports, conventions, fishing, whale watching, wineries, microbrews, Bend/Mt. Bachelor/Hood, Crater Lake, hunting, skiing, hiking, bike touring, Shakespeare Festival, tribal/Oregon Trail/Lewis & Clark Trail, Wallowa Lake, camping, scenic byways
<b>S. Dak.</b>	Mt. Rushmore, Black Hills, Badlands, Rapid City, Hot Springs, Sturgis, Sioux Falls, western/tribal/mining history, L&C, hunting, fishing, dinosaurs, buffalo, gambling, scenic byways
<b>Arizona</b>	Grand Canyon, golf, resorts, pro sports, baseball, Phoenix/Sun City, conventions, tribal/Hispanic culture, Petrified Forest, Lake Havasu, Flagstaff, snowbird rallies/Quartzsite
<b>Colorado</b>	Rocky Mountains, Mesa Verde Nat'l Park, Pike's Peak, skiing, Aspen/Vail, Denver, urban amenities, arts/culture, conventions, pro sports, western/mining/tribal history, scenic byways, skiing, hunting, mountaineering, whitewater, fishing, mtn biking

Source: 1995 American Travel Survey/ITRR

## D. Montana's Competitive Niche

### D.1 Montana's Competition has Similar Assets

The ATS Survey identified the states of origin of Montana's destination travelers. It also identified other destinations that travelers from those states are likely to visit. Sidebar 3.12 lists the destinations most likely to attract the same tourists as Montana (e.g., competitor states), and some of their key attractions. Note: an in-depth analysis of Montana's competition is beyond the scope of this strategic plan; however, further research in this area may provide enlightening information for decisions about future promotion campaign targets and themes.

Most of the states have characteristics that are similar to Montana (mountains, forests, lakes, rivers, outdoor recreation, urban amenities, western/tribal/mining history and culture). Some have well-known national parks and other natural attractions, as well as man-made attractions (Disneyland, Las Vegas, golf resorts). Others have well-known ski resorts (Park City, Aspen, Sun Valley, Tahoe), or historic and cultural attractions. Most of the states have better air service than Montana (more airlines serving them, and/or more scheduled flights).

The key competitive factors (characteristics sought by consumers who are likely to be interested in Montana) appear to be the following:

- Outstanding natural assets (mountains, lakes, rivers) – escape from city
- “Major” national parks or other natural attractions
- Outdoor recreation (hiking, fishing, hunting, skiing, water sports)
- Wildlife
- Some urban amenities: shopping, dining, culture
- High quality entertainment (not necessarily “Broadway”, but opportunities to enjoy “name” entertainment and nightlife)
- Interesting/unique history and historical sites
- Packaged, age-appropriate activities for children
- Convenient access

So the question is:

*“What is Montana’s competitive advantage?”*

In order to answer that question, four areas of subject matter must be considered:

1. The character and condition of Montana’s unique natural/historic/cultural assets
2. Montana’s existing tourism and recreation support services/infrastructure
3. The results of state and national tourism and recreation trend research
4. Montana’s current image in the marketplace

The first two topics were discussed in Chapter 2, and the third topic earlier in this chapter. The fourth topic was addressed in a 1999 study commissioned by Travel Montana to determine Montana’s image in four selected urban markets. The results are discussed in section D.2 below.

## D.2 Montana’s National Image is Positive; Even “Negatives” are Positive

A study that was conducted in 1999 to gain insights about Montana’s image among potential travelers produced the following results, based on surveys with consumers in four key metropolitan travel markets<sup>2</sup>:

**Positive images** that consumers expressed about Montana were the following:

- Vast unspoiled landscapes, mountains, water
- Fishing, hunting, hiking, camping
- Western culture: Cowboys and Indians

These images are consistent with Montana’s key natural/historic/cultural assets, and they indicate that Montana’s image advertising and promotional materials which highlight those assets have been working.

On the other hand, those same images can have a different impact on certain market segments:

**Negative images** that consumers expressed about Montana were the following:

- Lacks sophistication, culture, arts
- Few high quality amenities

Sidebar 3.13:

### National Image of Montana

The results from a 1999 study of consumers in key metropolitan travel markets found that potential travelers had the following images about Montana:

#### Positive Images

- Vast, unspoiled landscapes
- Mountains, water
- Fishing, hunting, hiking, camping
- Western culture: Cowboys & Indians

#### Negative Images

- Lacks sophistication, culture, arts
- Few high quality amenities
- Things to “see”, but not to “do”
- Not “kid-friendly”, safety concerns
- Hard to access, difficult to purchase

The good news is that the “negative” images are misconceptions: Montana does have sophistication, culture, arts, high quality amenities, entertainment and activities for kids (though packages are needed). The access and purchase issues are real, but can be addressed. Montana’s “negative” images are not like those of other states (crime, overcrowded, polluted, humid, dirty), so Montana has opportunities to refine its image among potential travelers.

Source: MT Image & Positioning Assessment, Dec. '99

<sup>2</sup> Montana Image & Positioning Assessment, Strategic Marketing and Research, Inc., December 1999



Bison in Yellowstone National Park

#### Montana's Competitive Advantage

The advantages that Montana has over its competitor states can be summarized by the following descriptors:

- Uncrowded
- Clean air and water
- Healthy and abundant wildlife
- Outstanding historical attractions (authentic, not "Disney")
- 2,000 miles of the Lewis & Clark Trail
- Casual but classy cultural and urban amenities
- Safe
- Good highway/road system
- Genuine, friendly people
- Good value for the money

- Things to "see", but not to "do" (entertainment)
- Not "kid-friendly" (few activities designed for kids with and without parental participation), safety concerns in "wide open spaces" or on water, or around "dangerous" wildlife or livestock
- Hard to access, difficult to purchase travel (packages, online booking, etc.)

These perceptions in some ways are the "flip side" of promoting an image which emphasizes themes of "natural", "wide open spaces", "big sky" and "wildlife." However, the good news is that the "negative" images are misconceptions: Montana does have sophistication, culture, arts, high quality amenities, entertainment and packaged kids' activities (though more are needed). The access and purchase issues are real, but also can be addressed. So these "negative images" are not really "negative" – not like "high crime rate, overcrowded, polluted, humid, dirty" or other images that some destinations must overcome (including some of Montana's competitors).

**The desired image** that Montana seeks to communicate to the world depends on which market segments Montana tourism and recreation stakeholders decide to target, based on its competitive advantage.

### D.3 Montana has a Multi-faceted Competitive Advantage

After reviewing the four areas of information outlined in section D.1 (Montana's assets, services, research and image), Montana's competitive advantage (compared to competitor states) can be summarized by the following descriptors:

- Uncrowded
- Clean air and water
- Healthy and abundant wildlife
- Outstanding historical attractions (authentic, not "Disney")
- 2,000 miles of the Lewis & Clark Trail
- Casual but classy cultural and urban amenities
- Safe
- Good highway/road system
- Genuine, friendly people
- Good value for the money



## E. Top Priority Target Markets

This section discusses current and potential target markets, and the planning team's recommendations for highest priority markets.

### E.1 Criteria for Identifying Top Priority Markets Emphasizes ROI

Previous research and strategic planning efforts identified a set of priority nonresident target markets for Montana (see Markets map, page 69). Table 3.7 lists the state's 2001-2002 demographic and geographic target markets. The planning team has identified a list of criteria and recommendations for determining top priority markets for 2003-2007, based on the existing conditions described in Chapter 2, the state/national tourism trends described earlier in this chapter, and Montana's image and competitive advantage described in the previous section. A key determinant for the selection of criteria is potential Return on Investment, or ROI, of visitor segments targeted.

The criteria for priority market segments are as follows:

- Likely to have a positive image of Montana, and a strong interest in Montana as a destination
- Propensity to spend more per trip than other segments
- Tendency to enjoy more developed attractions and destinations, rather than backcountry assets
- Low-impact, in terms of likelihood to compete with Montanans for outdoor recreation experiences
- Likely to participate in high-value outdoor recreation (skiing, golf, guided adventures/fishing/hunting)
- Inclination to travel during shoulder seasons
- Accessible to Montana via 1-2 day drive or reasonable air service connections
- Interest in history/culture/Lewis & Clark Bicentennial

Based on these criteria, the next section identifies top priority markets for 2003-2007, based on the planning team's recommendations.

**Table 3.7: Montana's 2001-2002 Nonresident Target Markets**

Market Segment	Demographic	HH Income	Vacation Interests
Traditional	Adults 35+	\$60,000+	Scenic driving, nature photography, with and w/o children, camping/hiking and wildlife viewing. Includes families interested in creating a relaxing and memorable experience together.
Active Mature	Adults 55-64	\$60,000+	Participate primarily in sightseeing, photography, camping and wildlife viewing.
RV/Camping	Adults 35-54 w/ children Adults 55-64	\$60,000+	Participate in camping, hiking and visiting with children historic sites, sightseeing. Photography and wildlife viewing.
Golf	Adults 35-54	\$60,000+	Participate in golfing and travel to resorts.
Photography	Adults 35+	\$60,000+	Participate in photography on either an amateur or professional level.
Western History/Culture	Adults 35+	\$60,000+	Interest in Western history and culture. Likely to visit an historical site as part of their vacation. Some also interested in Western clothing, lifestyle, arts and crafts, architecture, music and dancing.
Outdoor Enthusiasts	Adults 35-54	\$60,000+	Participate in camping/hiking, mountain biking, fishing, hunting and a variety of other outdoor activities. Look for a challenging experience.
Geographic Targets:	Western states: California, Washington, Idaho, Oregon, Utah, Colorado, North Dakota, South Dakota and Texas; Midwest states: Illinois, Wisconsin, Minnesota and Missouri.		
Source: Wendt-Kochman			

### Top Priority Target Markets

- Mature travelers, income \$75,000+
- Couples, income \$75,000+
- Non-business conventions & meetings
- Heritage/cultural travelers, esp. L&C
- Families with children, income \$75,000+
- Adventurers, income \$75,000+

- Nearby states/provinces for weekend getaways, conferences, skiers
- California for vacationers
- Southwest for matures
- Midwest for families, skiers
- Eastern metro markets for vacationers
- Europe for couples, families, adventurers
- Montana for more money kept at home

The following are top priority markets for 2003-2007. The intention of this list is not to eliminate other traveler segments from inclusion in promotion efforts, but to identify top priority markets that will maximize the return on dollars invested.

- **Mature travelers**, income \$75,000+, interested in history/culture/arts, soft adventure, golf, skiing, scenic attractions
- **Couples**, income \$75,000+, interested in history/culture/arts, casual urban amenities and entertainment, resorts, events, guided adventures, skiing, scenic attractions
- **Conventions & meetings**, esp. non-business (associations, research/education, religious), and business linked to Montana (ag, forestry, mining, etc.)
- **Heritage/cultural travelers**, esp. Lewis & Clark “buffs”, income \$75,000+, interest in history/culture/arts, dining, shopping, reenactments, museums, historic sites
- **Families with children**, income \$75,000+, interested in destinations with age-appropriate activities for kids, entertainment and safe adventures
- **Guided Adventurers**, income \$75,000+, (vs. do-it-yourself adventure travelers)

- **Nearby states/provinces** (WA, OR, ID, NV, UT, CO, WY, SD, ND, SASK, ALB, BC) for year-round weekend getaway packages, conventions & meetings, metro skiers
- **California** for destination vacationers: couples, matures, heritage/culture, adventure, skiers
- **Arizona/Texas** for matures, couples, high value VFR travelers
- **Midwestern states** (MN, WI, MI, IL, OH, MO) for couples, families, matures, VFR, heritage/cultural/L&C, skiers
- **Eastern metro markets** (NYC, DC, Boston, Atlanta, Philadelphia, Charlotte, Orlando, Tampa) for destination vacationers: couples, heritage/cultural/L&C, matures, adventurers
- **Europe**, for couples, families interested in American West, guided adventures, scenic driving, culture, events & festivals
- **Montana**, to encourage Montanans to spend their leisure travel dollars at home.

The next chapter, Chapter 4, defines a vision, strategic framework and goals for this 5-Year Strategic Plan, based on the “supply” and “demand” information defined in this chapter and the previous one, and on input from Montana tourism and recreation stakeholders. Chapter 5 describes specific objectives and actions to achieve the goals, in the context of market needs and trends as defined in this chapter.

Figure 3.5 shows the actual origins of 2000-2001 nonresident tourists who were traveling in Montana, along with the states being targeted by Travel Montana and the tourism regions/CVBs.

Figure 3.5: Montana's 2000-2001 Nonresident Tourist Markets

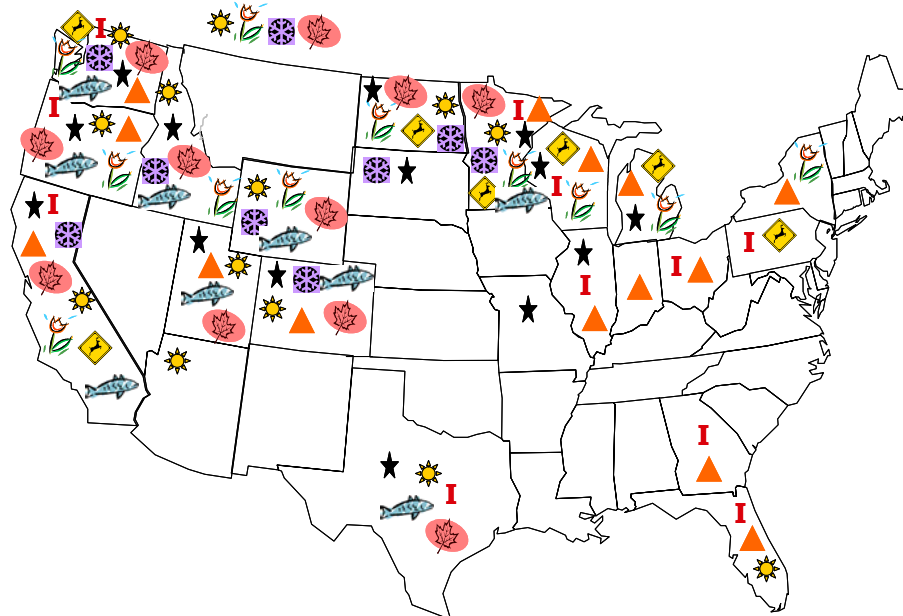


Table 3.8: Top U.S. Metro Market Sources of Inquiries to Montana Call Center, 2001, by Ad Campaign

<u>Warm Season</u>	<u>MT/WY Co-op</u>	<u>Downhill Ski</u>
NYC	NYC	NYC
Chicago	Chicago	Seattle
L.A.	Philadelphia	Denver
Seattle	Minneapolis	L.A.
Philadelphia	L.A.	Chicago
Dallas	Denver	San Francisco
Minneapolis	Dallas	Philadelphia
San Francisco	Boston	St. Louis
Denver	San Francisco	Portland
Houston	Seattle	Spokane
Phoenix	St. Louis	Grand Rapids
Detroit	Tampa	Minneapolis
Cleveland	D.C.	Phoenix
St. Louis	Cleveland	Boston
Portland	Pittsburgh	Salt Lake City
<u>Winter (General)</u>	<u>Snowmobile</u>	<u>Miscellaneous</u>
Minneapolis	L.A.	Minneapolis
NYC	Seattle	NYC
Seattle	Minneapolis	Chicago
L.A.	San Francisco	Seattle
Dallas	Chicago	L.A.
Denver	Denver	Philadelphia
Atlanta	Sacramento	Portland
Chicago	Portland	Denver
Orlando	Phoenix	Dallas
Philadelphia	Green Bay	St. Louis
Houston	Cincinnati	D.C.
	Philadelphia	Phoenix
	Boston	Atlanta
	Grand Rapids	Houston
	Spokane	Boston

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